

3. Anne L. Weismann is the executive director of CfA, a citizen of the United States, and a registered voter and resident of the State of Maryland. As a registered voter, Ms. Weismann is entitled to participate in elections untainted by campaign contributions from foreign nationals, as guaranteed by 52 U.S.C. § 30121. Ms. Weismann is harmed when a candidate, political committee, or other regulated entity accepts contributions from foreign nationals. Ms. Weismann is further harmed when the FEC fails to properly administer the FECA's ban on foreign contributions.

Respondents

4. Sheldon Adelson is a United States citizen and resident of Las Vegas, Nevada. He is the Chairman and Chief Executive Officer of the Las Vegas Sands Corporation ("LVS"), headquartered in Las Vegas, Nevada, and according to Forbes.com has a current estimated net worth of \$26.9 billion, the bulk of which he has earned through his Macau gambling enterprises. Mr. Adelson is one of the nation's top political donors, reportedly spending \$150 million in an effort to unseat President Barack Obama in the 2012 election. Mr. Adelson has indicated he likewise will spend significant amounts in the 2016 race.

5. Cheung Chi Tai is a Hong Kong businessman who was identified in a 1993 U.S. Senate report, as a key leader of a Chinese organized crime gang, the Who Hop To Triad, and someone who has been involved in Macau gambling dating back to the early 1990s. Permanent Subcomm. on Investigations of the S. Comm. on Governmental Affairs, *The New International Criminal and Asian Organized Crime*, S. Rpt. 102-129 (1993), available at <https://www.ncjrs.gov/pdffiles1/Digitization/148447NCJRS.pdf>. ("1993 Senate Report"). Mr. Cheung is a major investor in the Neptune Guangdong Group, a Hong Kong publicly traded

company involved with some of Macau's largest junkets, and served as a guarantor for at least two junkets operating inside a LVS Macau property.

6. Ng Lap Seng is chairman of San Kin Yip Group, which is principally based in Macau and Hong Kong. He is believed to be a member of the Chinese crime gang the Shui Fong Triad, and has a business relationship with Sheldon Adelson. During the presidency of Bill Clinton, Mr. Ng contributed hundreds of thousands of dollars in foreign money to the Democratic National Committee. Currently, Mr. Ng is detained in the United States on bribery charges.

Factual Allegations

7. In 2004, LVS expanded its gambling enterprise to Macau when it opened the Sands Macau. This expansion is responsible for Mr. Adelson's great wealth, transforming him from a minor player in the gambling world to "the undisputed top dog in the \$150 billion global gaming industry and a major political powerbroker in Israel and the US." Muhammed Cohen, Sands Macao: The House that Built Sheldon Adelson, *Forbes*, May 15, 2014, available at <http://www.forbes.com/sites/muhammadcohen/2014/05/15/sands-macao-the-house-that-built-sheldon-adelson/>. Mr. Adelson's worth has been reported variously as \$26.9 billion to over \$29 billion, making him one of the world's richest men.

8. Mr. Adelson asserts strong control over his Macau casinos. Not only is he the Chairman of the Board of Directors of LVS, but also of Sands China Limited ("SCL"). See *Jacobs v. Las Vegas Sands Corp.*, A-6-627691-B (Dist. Ct. Nev., Clark Cnty.), Amended Decision, May 20, 2015, at ¶¶ 22-23. LVS owns approximately 70% of SCL's stock and includes SCL as part of its consolidated filings with the U.S. Securities and Exchange Commission. *Id.* at ¶ 26. SCL is the indirect owner and operator of the majority of LVS's Macau operations, which include the Sands Macau, the Venetian Macau, Four Seasons Macau and other operations that support these

properties. *Id.* at ¶¶ 27-28. Mr. Adelson personally along with LVS asserts a control over SCL that “goes far beyond the ordinary relationship of parent to subsidiary,” ultimately making decisions both “large and small[.]” *Id.* at ¶ 110.

9. According to Steve Vickers, a former intelligence officer with the Hong Kong police and a specialist in Triad activities, Macau long has had deep ties to organized crime. Katie Hunt, The Dark Side of Asia’s Gambling Mecca, *CNN*, June 18, 2013, *available at*

<http://www.cnn.com/2013/06/17/world/asia/macau-dark-side>. Casinos, including those operated by LVS, rely on VIPs brought in from China by junket operators. As Mr. Vickers has explained, “junkets are an integral part of the gaming scene and they facilitate the transfer of funds, the finding of high rollers and they facilitate the breaching of Chinese capital controls.” *Id.* A 2013 report by the U.S.-China Economic and Security Review Commission states: “[i]t is common knowledge that the operation of VIP rooms in Macau casinos had long been dominated by Asian organized crime[.]” U.S.-China Economic and Security Review Commission, 2013 Report to Congress, p. 358 (113 Cong.), *available at* http://origin.www.uscc.gov/sites/default/files/annual_reports/Complete%202013%20Annual%20Report.PDF (“2013 Report”).

10. Casinos in Macau, including subsidiaries of U.S. licensed casinos, are heavily dependent on the junket system as the primary source of income. *Id.* at 360. Mr. Vickers has explained that “[w]ithout the junkets, none of the U.S. casino operators would make a red cent.” *Id.* at 360-61. According to former LVS president William Weidner, junkets channel as much as \$3 billion a month from the Chinese mainland to Macau. Matt Isaacs, Lowell Bergman, and Stephen Engleberg, Inside the Investigation of Leading Republican Money Man Sheldon Adelson, *Pro Publica*, July 16, 2012, *available at* <http://www.propublica.org/article/inside-the-investigation-of-leading-republican-money-man-sheldon-adelson>.

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11. The junkets attract high-stakes gamblers to VIP rooms in the Macau casinos and, in return, receive a commission on the amount of chips they deal as well as a percentage of the gambling losses incurred by the client. U.S. regulators have described the junket operators as offering money-laundering services. 2013 Report at 360. The U.S.-China Review Commission particularly highlighted the transfer by LVS of over \$28 million from its Macau junket operators to the United States, including from junket operators known to be officers of Triad groups such as Cheung Chi Tai, further supporting the likelihood Chinese Triads are using U.S. owned Macau casinos to launder money. *Id.* at 369. The possibility that LVS has been involved in money laundering is heightened by the extent to which its casinos in Macau rely on junket operators.

12. LVS previously settled a money laundering case with the government. In 2013, to avoid criminal prosecution, the Las Vegas Sands agreed to return more than \$47 million sent to the Venetian casino by drug trafficker Zhenli Ye Gon, “who at the end of 2006 or early 2007 was the largest all-cash, up-front gambler the Venetian Palazzo had ever had.” U.S. Department of Justice, “Operator of Venetian Resort in Las Vegas Agrees to Return over \$47 Million After Receiving Money Under Suspicious Circumstances,” August 27, 2013, *available at* <http://www.justice.gov/usao/cae/Pressroom/2013/1110.html>. Among other legal violations, the Las Vegas Sands allowed Ye Gon to transfer funds into an account that did not identify its association with the Venetian – an aviation account used to pay pilots operating the company’s aircraft. Casino personnel also permitted Ye Gon to wire money incrementally rather than in larger lump sums, despite his having specifically explained that he wired the money in smaller amounts to hide the transfers from the government. *Id.*

13. The junket companies with which the Venetian Macau entered into credit agreements include one financed by triad leader Cheung Chi Tai, who is listed as the guarantor for two junket credit agreements pertaining to the Venetian Macau (credit agreements attached as Exhibit A). Internal LVS documents describe the company's relationship with Mr. Cheung as "a monetarily material relationship," noting further "that a similar one exists between him and the promoters." See Email from Al Gonzalez to Leven Michael, et al., March 31, 2010 (attached as Exhibit B).

14. When LVS's partnership with Mr. Cheung was revealed publicly in 2010, LVS claimed it had ceased using Mr. Cheung as a junket guarantor. Recently, in the course of a June 2015 Las Vegas, Nevada hearing in a wrongful termination lawsuit brought by Steven Jacobs, the former CEO of LVS's Macau operations, Mr. Adelson reiterated that position when asked about the relationship between LVS and Mr. Cheung, testifying, "We were not doing business with Cheung Chi Tai, therefore the question is completely inappropriate." John L. Smith, Reports Likely to Trouble Adelson, *Las Vegas Review-Journal*, June 15, 2015, available at <http://www.reviewjournal.com/columns-blogs/john-l-smith/reports-likely-trouble-adelson>. Mr. Adelson's testimony was directly refuted, however, by that of Rob Goldstein, a top LVS executive, who acknowledged under questioning a business relationship between LVS and Mr. Cheung, and who admitted the triads are like "a mafia criminal group." *Id.*

15. Moreover, LVS continues to do business with the Neptune Guangdong Group, in which Mr. Cheung is one of the biggest shareholders. Katie O'Keeffe, Macau Junket Figure Investigated for Money Laundering, *Wall Street Journal*, December 10, 2014, available at <http://www.wsj.com/articles/police-launch-money-laundering-probe-into-macau-gambling-boss-1418215884>. Neptune's website promotes its VIP operations at the LVS Macau properties, see

http://www.neptunegd.com/web/welcome/vip_en, and during a March 2013 Neptune company event, Mr. Cheung handed out business cards identifying him as an executive director with the Neptune Guangdong Group (although a company official later denied Mr. Cheung had any “business connections” with the company). O’Keeffe, *Wall Street Journal*, Dec. 10, 2014. Thus, while LVS, for outward appearances, has terminated Mr. Cheung as a guarantor for junkets operating in its Macau casinos, in reality it has continued to maintain the relationship and its corresponding financial benefits in the face of overwhelming evidence of Mr. Cheung’s longstanding and continuing role in Chinese organized crime.

16. A LVS subsidiary also appears to have had a relationship with another Triad member, Charles Heung. Mr. Heung’s father founded the Sun Yee On Triad, and the 1993 U.S. Senate Report listed Mr. Heung as a senior figure in the Sun Yee On Triad. Further, according to a report prepared at the behest of Mr. Jacobs, Mr. Heung played a significant role in Macau’s VIP junket operations, including acting as a guarantor of at least two junkets operating within LVS Macau casinos. James Ball, Harry Davies, Lowell Bergman, Matt Isaacs, and Simon Marks, How China’s Macau Crackdown Threatens Big US Casino Moguls, *The Guardian*, April 23, 2015, available at <http://www.theguardian.com/world/2015/apr/23/how-chinas-macau-crackdown-threatens-big-us-casino-moguls-sheldon-adelson>.

17. Similarly, Mr. Adelson likely has continued to maintain a business relationship with triad member Ng Lap Seng, who was described in a report commissioned by LVS as characterized in the media as “a ‘Macau Crime Lord’ and a kingpin of the international slave prostitution trade.” International Risk Limited, Final Report on a Discreet Due Diligence Investigation into Ng Lap Seng in Macau and Hong Kong, p. 11, March 30, 2010 (“Ng Report”) (attached as Exhibit C). A well-connected member of the 11th Chinese People’s Consultative Conference with close

as Exhibit F). According to the criminal complaint filed in the Southern District of New York, Mr. Ng has traveled to the United States with large amounts of cash “multiple times a year, staying for very short periods of time (often just a day or two and always less than a week), since at least in or about 2007.” *Id.* Reports disclosing cash in excess of \$10,000 brought in or out of casinos are required, but no such report was filed for Mr. Ng or his associates. *Id.* at ¶ 28. When stopped by a customs agent at John F. Kennedy International Airport on the way out of the country, one of Mr. Ng’s business associates was found to have an undeclared \$100,000 in his carry-on bag. He claimed the money belonged to Mr. Ng and was cash left over from a home renovation project. *Id.* at ¶ 29.

20. Mr. Ng is currently being held without bond as a flight risk. At a bail hearing, a prosecutor stated that after arrest, Mr. Ng’s interpreter and co-defendant, Jeff Yin, admitted “that among other things that cash was sent to people to engage in unlawful activities.” John Riley, Macau Billionaire Charged with Lying about Cash he Brought to the U.S., Federal Prosecutors Charge, *Newsday*, September 22, 2015, available at <http://www.newsday.com/news/new-york/ng-lap-seng-macau-billionaire-lied-about-cash-he-brought-to-the-u-s-prosecutors-charge-1.10877729>. The complaint also states that Mr. Ng failed to appear in response to a properly issued federal subpoena in an unrelated investigation. Ng Complaint at ¶ 9. The subpoena reportedly stemmed from a probe in Nevada involving the Foreign Corrupt Practices Act (“FCPA”). Nate Raymond, Macau Billionaire Jailed in U.S. Subpoenaed in Foreign Bribery Probe, *Reuters*, September 27, 2015, available at <http://www.reuters.com/article/2015/09/27/us-usa-crime-macau-idUSKCN0RP27N20150927>. Mr. Ng has been referred to repeatedly in Mr. Jacobs’ lawsuit against LVS, which, the company believes, prompted the FCPA investigation. *Id.* Mr. Ng also has been charged with money laundering and bribing the president of the United

Nations General Assembly to build a UN-sponsored conference center in Macau. Indictment, *United States v. Ashe, et al.*, No. 1:15-cr-00706 (S.D.N.Y. Oct. 20, 2015) (attached as Exhibit G).

21. Additionally, two women named as defendants in the case against Mr. Ng, Heidi Piao, a/k/a “Heidi Park”, and Shiwei Yan, a/k/a “Sheri Yan”, are charged with laundering money from Chinese businessmen from 2011 through December 2014.¹ Complaint, *United States v. Ashe, et al.*, No. 1:15-mj-03562 at ¶¶ 3, 5. (S.D.N.Y. Oct. 5, 2015) (attached as Exhibit H). Interestingly, Ms. Park and Ms. Yan made six contributions to Rep. Ken Calvert (R-CA) on May 30, 2014. See Will Tucker, Women Charged in UN Bribery Case Were Donors to Rep. Calvert, *Center for Responsive Politics*, October 7, 2015, available at <http://www.opensecrets.org/news/2015/10/women-charged-in-un-bribery-case-were-donors-to-rep-calvert/>. The two “used different aliases and two different sets of addresses, employers and occupations,” splitting the \$20,400 between his campaign committee and leadership PAC, Eureka PAC. Ms. Yan had given Rep. Calvert another \$5,300 since 2002. *Id.*

22. Mr. Adelson is one of the nation’s top political donors, reportedly spending \$150 million in an effort to unseat President Barack Obama and help the Republicans gain control of Congress in the 2012 election. Peter Stone, Sheldon Adelson Spent Far More on Campaign than Previously Known, *Huffington Post*, December 3, 2012, available at http://www.huffingtonpost.com/2012/12/03/sheldon-adelson-2012-election_n_2223589.html. Mr. Adelson and his wife contributed at least \$98 million to 34 different candidates and groups that reveal their contributions. Theodoric Meyer, How Much Did Sheldon Adelson Really Spend on Campaign 2012, *Pro Publica*, December 20, 2012, available at <http://www.propublica.org/article/how-much-did-sheldon-adelson-really-spend-on-campaign->

¹ Ms. Yan has also been indicted for bribery. See Ashe Indictment.

2012. They also contributed between \$45-\$55 million to nonprofit groups that do not disclose their donors. Stone, *Huffington Post*, Dec. 3, 2012. Mr. Adelson was the largest single donor funding the 2012 presidential race and has indicated he will spend significant amounts in the 2016 race. He is so avidly courted by Republican presidential aspirants that the press frequently refers to the efforts to secure his financial backing as the “Adelson primary.” See, e.g., Kenneth P. Vogel, ‘Sheldon Adelson primary’ Cranks Up Next Month, *Politico*, March 17, 2015.

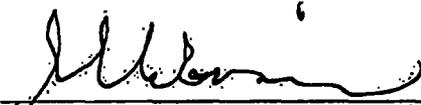
23. Given the extent to which Mr. Adelson’s wealth derives from his Macau casinos – and the extent to which those casinos derive their profits from the triad-controlled junkets that are heavily involved in money laundering – it is quite likely Macau organized crime funds and foreign money have wound up in the coffers of candidates for federal office and/or in the treasuries of dark money groups supporting them. Senator John McCain acknowledged this reality when he noted in an interview with *PBS*, “much of Mr. Adelson’s casino profits that go to him come from his casino in Macau . . . which says that, obviously, maybe in a roundabout way, foreign money is coming into an American campaign – political campaigns.” Interview With Sen. John McCain, *PBS News Hour*, June 14, 2012, available at http://www.pbs.org/newshour/bb/politics-jan-june12-mccain_06-14/.

COUNT I

24. U.S. law prohibits foreign nationals from directly or indirectly making any contributions in connection with federal, state or local elections. 52 U.S.C. § 30121.

25. The Commission’s regulations have interpreted the foreign national prohibition broadly to prohibit foreign nationals from participating in decisions involving election-related activities. Specifically, Commission regulations state that, “A foreign national shall not direct, dictate, control, or directly or indirectly participate in the decision-making process of any person, such as

WHEREFORE Campaign for Accountability and Anne L. Weismann request that the Federal Election Commission conduct an investigation into these allegations, declare the respondents have violated FECA and implementing Commission regulations, impose sanctions appropriate to these violations, and take such further action as may be appropriate.


ON BEHALF OF COMPLAINANTS

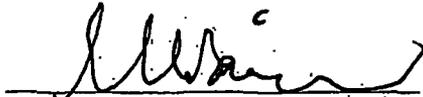
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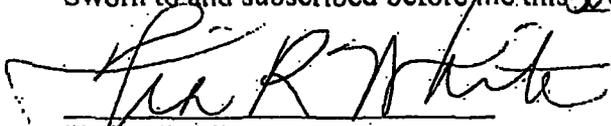
Verification

Campaign for Accountability and Anne L. Weismann hereby verify that the statements made in the attached Complaint are, upon information and belief, true.

Sworn pursuant to 18 U.S.C. § 1001.


Anne L. Weismann

Sworn to and subscribed before me this 30 day of October, 2015.


Notary Public

TIA R. WHITE
NOTARY PUBLIC STATE OF MARYLAND
My Commission Expires August 17, 2019

EXHIBIT A

responsibilities seriously. For that reason, this response has been reviewed by the members of the LVSC Compliance Committee and carries its unanimous endorsement.

We think it is important to distinguish the nature of the operation of our private gaming rooms in Macau from the operation of the VIP rooms owned, but not operated by the concessionaire commonly referred to as SJM. For that reason, we have highlighted those differences in our response to CRA inquiry (b)(i).

Respectfully submitted,

Fred

Frederick H. Kraus
Vice President & General Counsel
The Venetian - The Palazzo
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-----Original Message-----

From: Florence CHUA [mailto:Florence_CHUA@cra.gov.sg]
Sent: Monday, April 12, 2010 4:31 PM
To: Kraus, Fred
Cc: Yee Chuan YEO
Subject: Reuters Report about Sands Macao Dated 29 Mar 2010

Message Classification: Restricted

Mr. Frederick H. Kraus
Vice President & General Counsel
The Venetian - The Palazzo
3355 Las Vegas Blvd. S.
Las Vegas, NV 89109

Dear Mr. Kraus,

RE: REUTERS REPORT ABOUT SANDS MACAO DATED 29 MAR 2010

We spoke regarding the attached news article carried by Reuters on the alleged connection between LVSC and Cheung Chi-tai, allegedly a leader of a triad operating in Hong Kong.

(See attached file: High rollers Triads and a Las Vegas giant Reuters, 29Mar2010.pdf)

2. In connection with the above, the Casino Regulatory Authority of Singapore ("CRA") would require LVSC's responses to the following:-

(a) As with other U.S. gaming companies, the LVSC Compliance

Committee was designed to "identify potentially unsuitable situations, potentially unsuitable persons" and to function as an internal "quasi-gaming regulatory body". In this regard, what are LVSC's existing compliance efforts to ensure that the junket promoters its Macau casinos engage with (including Sands Macao) are suitable and remain suitable?

The Las Vegas Sands Corp (LVSC) Corporate Compliance Committee (the "LVSC Compliance Committee"), which includes among its members, Bob Lewis, a retired Member of the Nevada Gaming Commission, meets quarterly to review compliance related matters. Detailed minutes of its meetings are prepared and are filed with the Nevada Gaming Control Board upon ratification. As part of the background investigation of LVSC, and among other documents, the CRA requested and LVSC produced copies of all of the LVSC Compliance Committee Minutes, the Board of Director Minutes of LVSC and all of the Board Committees from 2006 through September 30, 2009.

The procedures regarding compliance efforts with respect to Macau junkets was outlined in the Minutes of the LVSC Compliance Committee of December 6, 2005. As background to identify the speakers at that meeting, Frank McFadden was in charge of day to day operations of the Sands Macau, Brad Stone was the Executive Vice President of LVSC, and Tom Smock was the General Counsel in Macau. The discussion about junket procedures was as follows:

The Committee then turned to a consideration of the nature of the due diligence required for junket representatives for Macau in the future. In the past, the regulatory agency in Macau had not licensed junket representatives. Accordingly, the Company had pursued a level of due diligence equal to that for junket representatives for the Venetian in Las Vegas. Because the Gaming Control Board in Nevada ... registered junket representatives and in its letters confirming the registration advised Nevada licensees that the registration did not infer any finding of suitability, and based on the requirements of the approved Compliance Plan, the Company in Nevada was obligated to conduct its own due diligence for junket representatives in Nevada. And because initially the review procedure in Macau for junket representatives in Macau did not exceed that in Nevada, the position of the Compliance Committee in Macau and the Corporate Compliance Committee in Nevada was that the same level of due diligence should be performed for junket representatives in Macau as was performed in Nevada.

However, Messrs. McFadden and Smock, Senior Vice President and General Counsel for Macau, advised the Committee that the process was now markedly different in Macau. The regulatory agency in Macau had now prescribed a lengthy application form. After completion of the application form by the junket representative and the filing of the same by the Sands Macau, the regulatory authority, unlike the GCB in Nevada, now determines whether the junket representative should be licensed.

Mr. McFadden articulated for the Committee his belief that it was incongruous for the company to conduct the same degree of due diligence now that the regulatory agency in Macau had undertaken to make licensing decisions. Mr. McFadden believed that the Company had a right to rely on the independent judgment of the regulatory authority in Macau and that otherwise the company would be placing itself in the position of potentially rejecting the judgment of the Macau regulatory agency and thereby disrespecting the regulatory prerogative of the agency in Macau entrusted with making such decisions. Mr. Stone observed that the same result obtained in New Jersey where the company of which he was the president did no due diligence because the regulatory authority was entrusted with the decision of whether a person could perform the duties of a junket representative.

Mr. McFadden also opined that the company as a private entity did not have recourse to information to make definitive judgments as was the case with the regulatory agency. Mr. McFadden believed that that was especially true when assessing the associations of junket representatives. In his view, the value of private due diligence was of the least value when making what he considered to be speculative decisions of what associations may be problematic. Conclusions respecting associations were the least reliable in his view because such conclusions were subjective and nebulous rather than definitive. In his view, the regulatory agency was in a far better position to assess associations based on the application submitted and the company was inviting only regulatory issues in Macau by disrespecting the judgment of the regulatory authorities on those sorts of issues.

After further discussions, including the observation by Mr. Lewis that the company had been permitted by Nevada to operate in Macau and should respect the licensing decisions made in Macau, the Committee advised Mr. McFadden that it would not object to the course of action proposed by management but that the company should continue to perform, as was proposed by Mr. McFadden, criminal history checks to determine if there was an objective reason not to retain a junket representative. In reaching that decision, the Committee relied on the representations of Messrs. McFadden and Smock as to the existence of the licensing process and Mr. Smock promised to provide the Committee with a memorandum describing the licensing process.

The current procedures established as a result of the above meeting are as follows:

Junket Background checks will be conducted by the Venetian Macau Ltd ("VML") Investigation Department on all junket applications submitted to VML. The following procedures will be taken:

1. Interview with Applicant

All individuals holding 5% or more shares of the junket company applying for Junket license in Macau will have to undergo an interview conducted by VML Investigation Department with regard to their individual background as well as the company background. All shareholders or directors of the junket company will be required to complete a FCPA Acknowledgement Statement ... to confirm their acknowledgement of the Foreign Corrupt Practices Act (FCPA) of the United States of America and the related requirements.

2. Company Background

Company Background Check will be conducted by verifying the junket company's validity in Macau SAR including business registration and registered business address, current status, share allocations, background details of the senior management (the legal representative) and the authorized scope of business. The check will also reveal the company's reputation in the marketplace and identify whether there is any derogatory business information.

3. Media Database

Conduct media search (i.e., internet search and/or through World Check or other databases) on the junket company and its shareholders to check if there is any derogatory information.

a) World Check

World Check is a web-based database used to screen companies and individuals for potential risk including money launderers, fraudsters, terrorists and sanctioned entities..

b) Wise Search

Wise Search is a web-based news articles information database including hundreds of Chinese and English language newspapers around the globe updated daily.

c) AGA

AGA is a database that provides online credit check service including company search, person search and civil litigation check for cases found in the courts of Hong Kong.

d) Lexis Nexis

Lexis Nexis is a database that provides online company search, person search, litigation and news article information.

e) ITrak Search (Internal Barring List)

ITrak is a security programme used by Macau Surveillance and Security Department. It consists of an Internal Barring List and details of people who has come into contact with Security/Surveillance during their stay at the Casino and Hotel, e.g., suspected tip hustlers, money changers, prostitutes and victims of theft, etc.

f) DICJ Bar list

A list obtained from the Macau regulatory authority.

g) Google

h) New Jersey Casino Control Commission Exclusion List

This data base is open to the public.

i) Nevada Gaming Control Board excluded Person List

This data base is open to the public.

j) Nevada Gaming Control Board Most Wanted List

This data base is open to the public.

k) Nevada Gaming Control Board list of individuals who have been denied or found unsuitable

This list is open to the public.

l) Nevada Gaming Control Board Known Business Organizations under the Individual's Control

This list is open to the public.

m) Pennsylvania Gaming Control Board Prohibited Vendor's List

This list is open to the public.

4. No Criminal Record

Junket Representatives holding more than 5% shares of the company are requested to submit the Certificate of No Criminal conviction (CNCC) to VML Investigation Department. CNCC should be from the origin of country where the applicant resides, whenever possible. In addition, a

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declaration will be required from the junket applicant attesting to the absence of prior arrests and convictions in any jurisdiction.

5. Other Checks

In accordance with new revised Junket Rep Compliance Procedures dated 7 Jun 2006 Item 2c: "If the applicant is licensed in other jurisdictions, VML will conduct verification that the applicant's existing junket license is in good standing with Regulatory Authorities."

6. Report

Upon completing the above steps, a report will be generated by the Investigation Department which will be passed on to VML Compliance Officer for further evaluation.

The regulatory requirement in Macau is for junket operators to apply annually seeking relicensing. In addition, the VML Compliance Officer coordinates an update of the due diligence background checks every two years.

(b) The Reuters article cited Cheung Chi-tai - an alleged triad leader - as having an indirect interest in Hou Wan, a junket promoter operating in Sands Macao's Chengdu Hall.

(i) Is Hou Wan a junket promoter with a junket agreement with Sands Macao? If so, please provide a chronology of Sands Macao's relationship with Hou Wan.

The Sands Macao operates the games in the various private gaming rooms at the Sands Macao and the Sands Macao rather than junket operators retains control and ownership over its private gaming rooms. The Sands Macao is free to assign or re-assign the private gaming room where the junket operator is permitted to bring his business. Subject to licensure, the Sands Macao enters into junket agreements with junket operators that compensate the junket operators under various programs including a percentage of what is referred to as "chip roll" for the players produced by the junket. In this respect, junket operators in Macau are different that what are called junket representatives or independent agents in Las Vegas, who are essentially commissioned outside sales persons.

The operation of the Sands Macao stands in contrast to the VIP rooms owned by the company commonly known as SJM in Macau. The predominant business model in the VIP rooms owned by SJM is to lease out those VIP rooms via "service" agreements with third parties. Those third parties operate the VIP rooms owned by SJM, hire the staff, pay the staff, run the rooms, incur the risk, retain the revenue and pay SJM a service fee for the use of the VIP room. In other words, the typical VIP room in an SJM owned casino is a VIP room operated by an independent third party for the benefit of the third party.

On the other hand, Hou Wan is a junket operator permitted to produce players in the private gaming room named Chengdu Hall that is owned and operated by the Sands Macao. For the chronology of the relationship between the Sands Macao and Hou Wan, see the attached document with the file name of "Hou Wan - Chronology of Business Relationship with VML".

(ii) When did LVSC first become aware of Cheung Chi-tai's interest in Hou Wan?

The junket application of Hou Wan does not list Cheung Chi Tai as having an interest as an owner or director of Hou Wan. VML did have knowledge at the time of the junket credit agreements described in (e) below that Cheung Chi Tai was a guarantor and a signatory in that capacity of the junket credit agreement between VML and Hou Wan, but that was a separate

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arrangement. The junket credit agreements including the signature of Cheung Chi Tai as a guarantor were filed with the Macau regulatory authority at the time they were entered into in accordance with Macau law.

More pertinent, no executive officer of LVSC had any knowledge of any alleged relationship between Cheung Chi Tai and Hou Wan prior to the allegation of the same in the Reuters Article. The name Cheung Chi Tai had also never come to the attention of the LVSC Compliance Committee prior to the article.

After learning of the article, I asked to be provided with copies of the VML related records on Hou Wan. The records received included copies of the license issued to Hou Wan, the junket applications of the junkets described in (e) below, the credit agreements described in (e) below, the World Check data base check on Cheung Chi Tai reporting no record described in (e) below and the VML credit file. The VML credit file also contained the reports of litigation checks in Hong Kong on Cheung Chi Tai, using the AGA data base check described earlier, reporting no records.

The VML credit file further contained a list of 11 directorships of Cheung Chi Tai reported as a result of another AGA data base check. I was advised by the former casino credit director at VML that the existence of that number of directorships was regarded as a positive factor in the assessment of his credit worthiness.

After reviewing those documents, I asked for a copy of the Venetian Las Vegas Credit File of Cheung Chi Tai and reviewed that file. The Venetian Las Vegas credit file on Cheung Chi Tai reflects that his credit activity has been dormant in Las Vegas since approximately August 2003. The central credit checks on Cheung Chi Tai in the Venetian Las Vegas file reflected credit activity at a number of other Las Vegas casinos.

I also made an inquiry to the Director of Surveillance at VML to see if there were any records relating to Cheung Chi Tai. What I considered telling at the time was that the Director of Surveillance advised that he would have to check his records in order to respond, indicating to me that the name was not well known to him.

There were no major incidents related to Cheung Chi Tai. However, there were what I would describe as three routine surveillance incident reports or log entries.

The first was dated February 14, 2008 and concerned a routine request for review of the action of a player. This entry pertained to the Hao Cai junket. This entry mentions that the director of the junket, Lei In Peng, who was identified as the director of the junket according to the junket application of Hao Cai, wanted a review of certain play. Although Lei is twice identified in the entry as the director of the junket, there is a mention of Cheung Ci Tai, according to the gaming shift manager, as the new director of the junket. This entry was contrary to the records of the application of Hao Cai. In addition, this type of routine entry is not the type of entry that likely would have come to the attention of executive management.

The second was dated February 20, 2008 and again concerned a routine request for review of video related to a player. This entry mentioned a call from a person in casino operations, referred to the Hao Cai junket, and included a reference to Cheung Chi Tai as being the director of the junket. Again, this entry was contrary to the records of the application of Hao Cai and, in any event, was not the type of entry that likely would have come to the attention of executive management.

With respect to an incorrect rating report that was the subject of a surveillance log entry, there was a reference to Cheung Chi Tai as being the boss of the Hou Wan by a gaming shift manager, which was also inconsistent with the junket application of Hou Wan.

Lastly, the Director of Surveillance also referred me to the player account of Cheung Chi Tai. The patron account or ACSC system contains a comments screen where employees can make comments related to the patron or the activities of the patron that can be accessed and read by other employees depending on their access levels. There is a comment entered in August 2008 that appears to request that room upgrades coming from "HW" be denied if the room requests were said to be for Cheung Chi Tai unless there was insistence that the room was for Cheung Chi Tai.

After reviewing these entries, I asked if the security department had any incident reports related to Cheung Chi Tai. I was advised that there no records in the security system.

There is nothing in the isolated records described above that is anyway nefarious. In addition, these routine entries were more or less contemporaneous with the background checks that were conducted in connection with the credit guarantees that were approved by VML in April 2008 and that reported no negative information.

I have also discussed these records and the lack of negative information with the independent member of the LVSC Compliance Committee, Bob Lewis. Despite the lack of negative information, we both believe in the absence of any specific licensing of Cheung Chi Tai and in light of the allegations made in the article, that it would be prudent to engage an outside investigator to investigate the allegations made in that article. And I have been in touch with the principal of International Risk LTD., an investigatory agency located in Hong Kong, to conduct a further review of Cheung Chi Tai and to make a report to the LVSC Compliance Committee.

- (c) In connection with Hou Wan, what were LVSC's due diligence efforts undertaken prior to associating with it? Specifically, what efforts, if any, were made to establish the source of funds? Please elaborate if any derogatory information was revealed in the course of investigations.

Attached is the due diligence records for Hou Wan when the principal of Hou Wan was Guo Nan. As noted in the chronology attached in response to (b)(i) above, Guo Nan applied to transfer his interest in Hou Wan to Lei Choi In in December 2006 and the transfer was approved by the Macau regulatory authority in January 2007. We are currently continuing to search for the due diligence materials generated as a result of that transfer request.

VML voluntarily instituted currency transaction reporting at the threshold of HK\$500,000 at the opening of the Sands Macau prior to the initial passage of anti-money laundering regulations in Macau in November 2006. That reporting would have included cash transactions with VML by junket operators. VML selected that threshold because it understood that that was the threshold that would be adopted in Macau. That threshold was in fact adopted when Large Sum Transaction Reporting was implemented in November 2006.

As respects the source of funds of Hou Wan, the current credit line of Hou Wan is HK \$100,000,000. In addition, attached are copies of the following VML policies and procedures: (a) Credit and Collection Policies and Procedures, (b) Junket Credit Application and Approval Process, (c) Junket Program Procedures, (d) Procedures for Fund Verification for Telegraphic Transfers In and out, (e) Program Chip Exchange Procedures, (f) AML Internal Control System, and (g) Revised SOP on Updating Terrorist List.

- (d) The Reuters article also asserted "Cheung Chi-tai to be the person in charge of Sands Macao's Chengdu Hall". Please provide LVSC's response to this assertion.

See our prior responses to (b)(i) - (ii) above.

VENETIAN MACAU LIMITED JUNKET CREDIT AGREEMENT
威尼斯人澳門股份有限公司博彩中介人貸款合同

貸款人資料 LENDER INFORMATION

公司名稱 Company Name: 威尼斯人澳門股份有限公司 VENETIAN MACAU LIMITED
公司地址 Business Address: Estrada da Baía de N. Senhora da Esperança, s/n, Taipa, Macau S.A.R.
公司電話 Business Phone: (853) 8118-7000 商業登記號碼 Business Registration 15702(SO)

借款人資料 BORROWER INFORMATION

博彩中介人公司名稱 Junket Company Name 好運娛樂一人有限公司
公司地址 Business Address Avenida do Infante D. Henrique, Nos. 25 a 31, Edif. Wn long, 12 andar B, em Macau
公司電話 Business Phone (853) 2881-1662 商業登記號碼 Business Registration # 21830(SO)
博彩中介人登記號碼 Junket License# E025 客人帳戶編號 Patron Account # 125583
借貸限額 Credit Limit HKD100,000,000.00 (HONG KONG DOLLARS ONE HUNDRED MILLION ONLY)

博彩中介人公司之董事資料 COMPANY DIRECTOR INFORMATION (Individual Director of Junket Company)
董事名稱 Director Name 李彩蒨 LSI CHOI LN 客人帳戶編號 Patron Account # 282050

擔保人資料 GUARANTOR INFORMATION

擔保人名稱 Guarantor Name 張治太 CHEUNG CHITAI 婚姻狀況 Marital Status Single
客人帳戶編號 Patron Account # 47537
地址 Address 香港仔彌富村禮富閣 6樓G座
住址電話 Residence Phone (852) 8118-0818 / (852) 9090-6644 出生日期 Date of Birth July 9, 1960
身份證 / 護照編號 Identification Card / Passport # 香港永久性居民身份證 # D6R4555(0)

博彩中介人貸款合同 Junket Credit Agreement

借款人（亦為「債務人」）在此向 威尼斯人澳門股份有限公司（「貸款人」）申請貸款及擔保人在此以個人名義來擔保借款人所申請的貸款並共同同意以下條款及細則：The Borrower, (aka the "Debtor") hereby applies for a credit line with Venetian Macau Limited (the "Lender") and the Guarantor hereby personally guarantees the debt of the Borrower/Debtor, subject to the following terms and conditions:

(一) 借款人及擔保人謹此證明所有上述提供給貸款人之資料或於申請貸款表格上提供的資料均為正確無誤，並同意貸款人可以以任何合法方式或途徑對上述之資料作出確認，包括核實任何所列出的公司或個人借貸狀況，其他職業及/或雇用歷史之記錄。

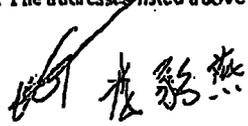
1. The Borrower and the Guarantor both attest that all information provided above or provided in the Credit Application Forms by the Borrower and the Guarantor to the Lender is true and accurate, and the Lender the Borrower's as well as the Guarantor's permission to verify such information, including verification of any listed company or individual credit, other business and/or employment history, through any legitimate source.

(二) 借款人及擔保人在此免除貸款人對其資料保密的責任，並允准貸款人在借款人尚未將所有到期的貸款額全數付還予貸款人時，貸款人可將借款人之資料、欠款額以及申請貸款表格上的資料透露給第三者，以保障貸款人可根據本貸款合同來收回借款人欠繳的款額。

2. The Borrower and Guarantor exempt the Lender from his duty of secrecy, authorizing the Lender, as long as any amounts are owed to the Lender by the Borrower, to disclose to third parties the information provided above, or provided in the Credit Application Form or the amount of credit owed, to the extent required to obtain the repayment of credit granted to the Borrower pursuant to this agreement.

(三) 貸款人可使用以上之地址為聯絡及通知借款人或擔保人有關任何貸款人之要求。

3. The addresses listed above will serve as proper notice to the Borrower or to the Guarantor of any demand.







(四) 所有借款人個人或公司以及擔保人等其他有關資料將會受到貸款人的自動程序化處理，目的為給貸款人將有關借貸信用風險作分析，以及保證能收取所有已借貸予借款人之貸款額，及向第三者信用機構查詢有關借貸信用風險。

4. Personal or company data or any other related information provided by the Borrower as well as by the Guarantor will be subject to automated processing by the Lender for the purposes of analyzing credit risk and ensuring the repayment of amounts lent to the Borrower, and for credit risk inquiries to third party credit agencies.

(五) 所有貸款額均只可以娛樂場籌碼形式來作轉換，並且借款人只可於威尼斯人澳門股份有限公司娛樂場內合法使用其借貸的籌碼。

5. Credit issued by the Lender to the Borrower shall be only granted by means of transfer of casino chips of the Lender to be used by the Borrower solely within the Venetian Macau Limited casinos for legitimate casino play purposes.

(六、一) 借款人要求貸款人提供依據本合同所述金額為港幣壹億元(HKD100,000,000.00)之娛樂場籌碼。

6.1. The Borrower requests the Lender to make available a credit line to be used in casino chips up to the amount of HKD100,000,000.00 (ONE HUNDRED MILLION HONG KONG DOLLARS).

(六、二) 借款人所申請借貸受限于貸款人收到借款人所簽發的本合同附件一之本票及一份同意書。該本票及同意書亦均應由以下擔保人簽署作保證。

6.2. The availability of the credit line shall be conditional upon the reception by the Lender of a Promissory Note ("Livrança") and a Letter of Consent ("Pacto de Preenchimento") in favor of the Lender, as attached to this Agreement as Annex 1, and secured by the Guarantor as underwriter ("Avalista").

(六、三) 受制於上述規條，借貸額可根據借款人的要求而提取。

6.3. Subject to the provision above, the credit may be withdrawn upon request of the Borrower.

(六、四) 每項根據這個合同所給予的借貸必須在每個可轉讓的借款單據 (Marker) 到期日內還款，借款人應就每次借貸額項之提取簽署相對的借款票據 (Marker) 還款作出執行。

6.4. Each credit granted under this agreement shall be paid in the maturity date stated in each negotiable instrument (Marker) which will be executed by the Borrower for each withdrawal.

(六、五) 當借款人有未清還的欠款、借貸申請金額高於本合同批給之借貸限額或當借款人在合理商業角度下認為借款人之公司在業務範圍或性質、營運、財產或財政狀況上已發生了重大的變更並影響其履行本合同之義務能力時，貸款人可拒絕借款人的借貸申請。

6.5. The Lender may refuse any request of credit whenever the Borrower has any outstanding amount to be paid to the Lender, whenever the request is above the limit of the credit granted under this agreement or whenever a material adverse change occurs, in the commercially reasonable opinion of the Lender, in the scope or nature of business, operation, assets or financial conditions of the Borrower, in its ability to perform its obligations hereunder.

(六、六) 本合同允准之借貸限額可透過借款人的申請而加以提升，但借款人及擔保人必須共同簽署本合同附件三之“博彩中介人貸款額提升申請書”。

6.6. The credit line granted under this agreement, may be increased at Borrower's request, who, together with the Guarantor, must sign a "Junket Credit Line Increase Request", in the form presented as Annex 2 of this agreement.

(六、七) 借款人所申請借貸額提升應受限于貸款人收到借款人所簽發的本合同附件一之本票及一份同意書。該本票及同意書亦均應由以下擔保人簽署作保證。

6.7. The availability of the increased credit line shall be conditional upon the reception by the Lender of a new Promissory Note ("Livrança") and a Letter of Consent ("Pacto de Preenchimento") in favor of the Lender, as attached to this Agreement as Annex 1, and secured by the Guarantor as underwriter ("Avalista").

(六、八) “博彩中介人貸款額提升申請書”之簽訂將作為證明貸款人已增加了借款人的貸款額之充分憑証。

6.8. The signed "Junket Credit Line Increase Request" will be sufficient evidence of the further amounts granted by the Lender to the Borrower.



(六、九) 因有價的約因，其包括貸款人向借款人提供所申請的借貸額並借款人承認已接受了該借貸額 (帳戶號碼: 125583)，擔保人就此以個人名義及無條件地擔保借款人向貸款人的借貸額為港幣壹億元 (HKD100,000,000.00)。

6.9. For valuable consideration, receipt of which is hereby acknowledged by the Borrower and which includes the granting and extension of a casino credit line by Creditor to the Borrower (Account#125583), the Guarantor personally and unconditionally guarantees the payment, to the Creditor of any amount requested by the Borrower's under the credit line granted in this agreement up to the amount and including ONE HUNDRED MILLION HONG KONG DOLLARS (HKD100,000,000.00).

再者，擔保人對借款人於違合同所欠的債務需負上連帶責任。在借款人逾期不履行其債務責任時，擔保人同意澳門威尼斯人股份有限公司澳門民法典第 636 條的規定無須先追討或起訴借款人並可根據，直接向擔保人就借款人所欠債務要求還款或提出訴訟。

Further, Guarantor is jointly and severally liable for any amount owed by the Borrower under this Agreement. In the event of any default in payment by Borrower, Guarantor agrees that VML may commence collection efforts or related legal proceeding directly against Guarantor for the defaulted payment without the need of exhausting its collection efforts against Borrower/Debtor, in accordance with and for the purposes of article 636 of the Macau Civil Code.

(七) 借款人於上述每項債務履行屆滿日期之前須將已收取娛樂場籌碼之相關貸款金額支付予貸款人。

7. The Borrower shall pay to the Lender the amount of the casino chips transferred to the Borrower no later than the due date stated for each withdrawal.

(八、一) 倘若以上每項所定之到期還款日而尚未將逾期欠款全數清還時，借款人須支付逾期還款之年息為 18%，利息計算日自到期日起至欠款全數付還為止。

8.1. Any installment or amount loaned not paid on the due date(s) set out for each withdrawal shall be subject to default interest at the rate of 18% per annum, as from the date they become due and payable until effective payment.

(八、二) 當欠款持續時，每月的利息將撥入本金並按原息率作計算，直至貸款人認為欠款完全清還為止。

8.2. So long as the failure continues such rate shall be recalculated on the same basis thereafter and interest so calculated shall be compounded monthly up to the moment the Lender determines such indebtedness to be fully settled.

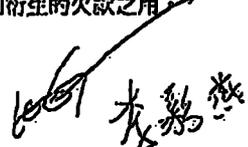
(九) 貸款人可以在借款人簽發並由擔保人透過保證作擔保的本票內填寫任何留空之部份，包括 (一) 貸款金額 (二) 還款到期日。

9. The Lender may complete any portion of any Promissory Note ("Livrança") executed by the Borrower, and guaranteed by the Guarantor by Aval, that may be missing, including (i) the amount of credit drawn and (ii) the maturity date.

(十) 借款人同意支付貸款人所有已收取的娛樂場籌碼，並免收不論任何性質的收費或扣除，繳付地點為澳門特別行政區氹仔望德聖母灣大馬路無門牌編號的威尼斯人澳門股份有限公司。

10. The Borrower agrees to pay to the Lender all casino chips transferred to the Borrower free of any charges or deductions of whatsoever nature at its premises known as Venetian Macau Limited, in Macau, at Estrada da Bnis de N. Senhora da Esperanca, s/n, Taipa, Macau S.A.R.

(十一) 倘若借款人或擔保人不履行償還本合同訂定之貸款予貸款人，借款人及擔保人須以明示及不可廢止的方式賦予貸款人權利(此不構成貸款人義務)以便貸款人可使用任何借款人或擔保人的帳戶餘額(不論任何貨幣)包括 (i) 借款人或擔保人在威尼斯人澳門股份有限公司娛樂場內持有的任何帳戶 (ii) 任何由貸款人持有的借款人所預付之定金或通過在威尼斯人澳門股份有限公司娛樂場轉碼計劃而獲得的或有權獲得的佣金，或 (iii) 可由借款人或擔保人兌現之娛樂場籌碼或押金作為清還所欠的本金、利息或在任何期間因本合同衍生的欠款之用。





11.1. In the event of any non-payment by the Borrower and/or the Guarantor of any amounts due hereunder, the Borrower and the Guarantor hereby irrevocably empower the Lender (but without obligation, on the part of the Lender) to apply any credit balance (in whatever currency) (i) standing upon any account of the Borrower and/or of the Guarantor in the Venetian Macau Limited casinos, (ii) held in any other form by the Lender, namely any commission payment that the Borrower may have earned or be entitled to through the rolling program(s) at Venetian Macau Limited casinos, or (iii) by using any casino-chips that the Borrower or the Guarantor may redeem or any front deposit money of the Borrower or the Guarantor towards satisfaction of any sum whether principal, interest or otherwise at any time due to the Lender under this Agreement.

(十一、二) 倘若借款人或擔保人不履行償還本合同訂定之貸款，借款人及擔保人還須以不可廢止的方式賦予貸款人權利，使其可以借款人、擔保人或貸款人之名義，為履行本條款而視為必須之情況下進行任何行動及簽署任何文件，且因此而產生之費用均由借款人承擔。

11.2. The Borrower and the Guarantor also hereby irrevocably empower the Lender, in the event of any non-payment by the Borrower and/or the Guarantor of any amounts hereunder when due, in the name of the Borrower and/or of the Guarantor or of the Lender and at the expense of the Borrower to do all such acts and to execute all such documents as may be required to effect such application.

(十二、一) 倘若借款人及/或擔保人不履行已承擔或將承擔的任何責任，包括不依時清還本合同所定之任何款項或根據本合同規定須清還之任何款項，貸款人有權要求即時歸還所有由借款人所欠之款項，包括尚欠之本金、任何費用或開支，並可由該時起有全權自行決定是否向法院申請對有關之債務擔保進行執行。

12.1. Should the Borrower and/or the Guarantor default any of its obligations now assumed or to be assumed, namely should the Borrower fail to pay in the manner and time set forth in this agreement or which may be claimed from the Borrower hereunder, then the Lender shall be entitled to deem due and payable all amounts loaned to the Borrower, namely as principal, fees and expenses and the Lender shall thereafter be entitled to, with full powers and at its full discretion, enforce all the guarantees provided hereunder.

(十二、二) 作為從事博彩中介人業務的借款人，倘若博彩中介人之業務不被續期或有關之牌照效力被終止或因違反第 6/2002 號行政法規之要求而被中止或終結的，均被視為違約，並應承擔因違法或違反本合同任何條款所產生的法律後果。

12.2. The suspension or termination of the Borrower's activity as a gaming promoter, the non renewal or the termination of the respective license or defaulting any of the obligations set force in Administrative Regulation 6/2002, which compromises its gaming promotion activity, shall be deemed, for all events and purposes, events of default and have the exact same consequences provided for in Law or in this agreement.

(十三) 倘若在合同內所定之還款日到期時而借款人尚未將每一逾期欠款一一清還，貸款人有權向借款人收取在收集任一欠款過程中所支付之費用，包括根據貸款人準備之帳單上所述的合理的律師費、法院費用以及依據本合同中具體所定利率計算之拖欠及累積的利息。

13. In the event the Borrower does not pay in full to the Lender any installment or amount loaned on the maturity dates set out for each withdrawal, the Lender shall be entitled to all costs of collection, including reasonable attorney fees, court costs, as per the amount stated in the billing note to be prepared by the Lender, and to default interest at the rate set out in such specific terms and conditions.

(十四、一) 因本貸款合同之條款而起的任何爭議須服從澳門特別行政區之法律管轄權，但並不妨礙貸款人將有關針對借款人或擔保人之訴訟程序交由其他地區之法院審理。

14.1. Any disputes arising from this agreement shall be subject to the exclusive jurisdiction of the courts of the Macau S.A.R. This shall not preclude the institution of legal proceedings against the Borrower or the Guarantor to the Lender in the Courts of any other jurisdiction.

(十四、二) 此貸款合同將受澳門法律所規範。

14.2. This loan agreement shall be governed by the laws of Macau.

(十五) 擔保人同意可根據貸款人的要求，提供予貸款人一張個人簽發的支票作為貸款之擔保物且同意貸款人有權將上述之個人支票用作來支付尚未清還的欠款。貸款人可以在擔保人之個人支票內填寫任何遺漏或空白之部份內容，包括(甲)未付清欠款金額及(乙)支票日期。





CARTÓRIO DO NOTÁRIO PRIVADO FONG KIN IP

CONTA REGISTADA SOB O N.º 639

Art.º 13.º da TERN.....\$14.00

Total.....\$14.00

O imposto do selo devido foi pago no original.

Reconheço a assinatura retro de LEI, CHOI IN 李卓然, feita perante mim, cuja identidade verificável por exibição do Biliete de Identidade de Residente Permanente n.º 736663(7), emitido em 29 de Julho de 2005, pela Direcção dos Serviços de Identificação da RAEM, na qualidade de administrador da sociedade denominada "LEI CHOI IN 一人有限公司", qualidade e poderes que verificável por exibição de uma certidão emitida em 28 de Janeiro de 2008, pela Conservatória dos Registos Comerciais e de Bens Móveis, Macau, aos 18 de Abril de 2008.

O Notário Privado,

1/3 2 3

CARTÓRIO DO NOTÁRIO PRIVADO FONG KIN IP

CONTA REGISTADA SOB O N.º 640

Art.º 13.º da TERN.....\$7.00

Total.....\$7.00

O imposto do selo devido foi pago no original.

Reconheço a assinatura retro de CHEUNG, CHI TAI 張裕太, feita perante mim, cuja identidade verificável por exibição do Hong Kong Permanent Identity Card n.º D884556(0), emitido em 9 de Setembro de 2003, pelo Governo da Região Administrativa Especial de Hong Kong.

Macau, aos 18 de Abril de 2008.

O Notário Privado,

1/3 2 3

Reconheço a assinatura retro, feita na minha presença, de JOAQUIM JORGE PERESTRELO NETO VALENTE, que profissionalmente usa JORGE NETO VALENTE, na qualidade de Administrador-Delegado, em representação da VENETIAN MACAU, S.A., em chinês, 威尼斯人澳門股份有限公司 e, em inglês, Venetian Macau Limited, cuja identidade, qualidade e poderes necessários para o acto são do meu conhecimento pessoal.

Macau, 28 de Abril de 2008.

A Notária Privada,

Maria de Lurdes Costa

Maria de Lurdes Costa

Emol.: catorze patácas. -

Conta n.º 61

P

VENETIAN MACAU LIMITED JUNKET CREDIT AGREEMENT
威尼斯人澳門股份有限公司博彩中介人貸款合同

貸款人資料 LENDER INFORMATION

公司名稱 Company Name: 威尼斯人澳門股份有限公司 VENETIAN MACAU LIMITED
公司地址 Business Address: Estrada da Bela da N. Senhora da Esperanca, s/n, Taipa, Macau S.A.R.
公司電話 Business Phone: (853) 8118-7000 商業登記號碼 Business Registration 15702(SO)

借款人資料 BORROWER INFORMATION

博彩中介人公司名稱 Junket Company Name 祥好彩娛樂一人有限公司 HAQ CAI ENTERTAINMENT COMPANY LIMITED
公司地址 Business Address Rua de Berlin, Nos. 214, Magnificent Court, 1 andar H. Macau
公司電話 Business Phone (853) 2881-1662 商業登記號碼 Business Registration # 28052(SO)
博彩中介人登記號碼 Junket License# E116 客人帳戶編號 Patron Account # 530571
信貸限額 Credit Limit HKD150,000,000.00 (HONG KONG DOLLARS ONE HUNDRED AND FIFTY MILLION ONLY)

博彩中介人公司之董事資料 COMPANY DIRECTOR INFORMATION (Individual Director of Junket Company)

董事名稱 Director Name 李燕萍 LEL IN PENG 客人帳戶編號 Patron Account # 138025

擔保人資料 GUARANTOR INFORMATION

擔保人名稱 Guarantor Name 張治太 CHEUNG CHI TAI 婚姻狀況 Marital Status Single
客人帳戶編號 Patron Account # 47537
地址 Address 香港仔靈實村靈實閣 6樓 G座
住址電話 Residence Phone (852) 8118-0818 出生日期 Date of Birth July 9, 1960
身份證 / 護照編號 Identification Card / Passport # 香港永久性居民身份證# D684555(0)

博彩中介人貸款合同 Junket Credit Agreement

借款人(亦為“債務人”)在此向 威尼斯人澳門股份有限公司(“貸款人”)申請貸款及擔保人在此以個人名義來擔保借款人所申請的貸款並共同同意以下條款及細則: The Borrower, (aka the “Debtor”) hereby applies for a credit line with Venetian Macau Limited (the “Lender”) and the Guarantor hereby personally guarantees the debt of the Borrower/Debtor, subject to the following terms and conditions:

(一) 借款人及擔保人謹此證明所有上述提供給貸款人之資料或於申請貸款表格上提供的資料均為正確無誤, 並同意貸款人可以以任何合法方式或途徑對上述之資料作出確認, 包括核實任何所列出的公司或個人信貸狀況, 其他職業及/或僱用歷史之記錄。

1. The Borrower and the Guarantor both attest that all information provided above or provided in the Credit Application Forms by the Borrower and the Guarantor to the Lender is true and accurate, and the Lender has the Borrower's as well as the Guarantor's permission to verify such information, including verification of any listed company or individual credit, other business and/or employment history, through any legitimate source.

(二) 借款人及擔保人在此免除貸款人對其資料保密的責任, 並允准貸款人在借款人尚未將所有到期的貸款額全數付還予貸款人時, 貸款人可將借款人之資料, 欠款額以及申請貸款表格上的資料透露給第三者, 以保障貸款人可根據本貸款合同來收回借款人欠繳的款額。

2. The Borrower and Guarantor exempt the Lender from his duty of secrecy, authorizing the Lender, as long as any amounts are owed to the Lender by the Borrower, to disclose to third parties the information provided above, or provided in the Credit Application Form or the amount of credit owed, to the extent required to obtain the repayment of credit granted to the Borrower pursuant to this agreement.

(三) 貸款人可使用以上之地址為聯絡及通知借款人或擔保人有關任何貸款人之要求。

3. The addresses listed above will serve as proper notice to the Borrower or to the Guarantor of any demand.







(四) 所有借款人個人或公司以及擔保人等其他有關資料將會受到貸款人的自動程序化處理，目的為給貸款人將有關借貸信用風險作分析，以及保證能收取所有已借貸予借款人之貸款額，及向第三者信用機構查詢有關借貸信用風險。

4. Personal or company data or any other related information provided by the Borrower as well as by the Guarantor will be subject to automated processing by the Lender for the purposes of analyzing credit risk and ensuring the repayment of amounts lent to the Borrower, and for credit risk inquiries to third party credit agencies.

(五) 所有貸款額均只可以娛樂場籌碼形式來作轉換，並且借款人只可於威尼斯人澳門股份有限公司娛樂場內合法使用其借貸的籌碼。

5. Credit issued by the Lender to the Borrower shall be only granted by means of transfer of casino chips of the Lender to be used by the Borrower solely within the Venetian Macau Limited casinos for legitimate casino play purposes.

(六、一) 借款人要求貸款人提供依據本合同所述金額為港幣壹億伍仟萬元(HKD150,000,000.00)之娛樂場籌碼。

6.1. The Borrower requests the Lender to make available a credit line to be used in casino chips up to the amount of HKD150,000,000.00 (ONE HUNDRED AND FIFTY MILLION HONG KONG DOLLARS).

(六、二) 借款人所申請借貸受限於貸款人收到借款人所簽發的本合同附件一之本票及一份同意書。該本票及同意書亦均應由以下擔保人簽署作保證。

6.2. The availability of the credit line shall be conditional upon the reception by the Lender of a Promissory Note ("Livrança") and a Letter of Consent ("Pacto de Preenchimento") in favor of the Lender, as attached to this Agreement as Annex 1, and secured by the Guarantor as underwriter ("Avalista").

(六、三) 受制於上述規條，借貸額可根據借款人的要求而提取。

6.3. Subject to the provision above, the credit may be withdrawn upon request of the Borrower.

(六、四) 每項根據這個合同所給予的借貸必須在每個可轉讓的借款票據 (Marker) 到期日內還款，借款人應就每次借貸額款項之提取簽署相對的借款票據 (Marker) 還款作出執行。

6.4. Each credit granted under this agreement shall be paid in the maturity date stated in each negotiable instrument (Marker) which will be executed by the Borrower for each withdrawal.

(六、五) 當借款人有未清還的欠款、借貸申請金額高於本合同批給之借貸限額或當貸款人在合理商業角度下認為借款人之公司在業務範圍或性質、營運、財產或財政狀況上已發生了重大的變更並影響其履行本合同之義務能力時，貸款人可拒絕借款人的借貸申請。

6.5. The Lender may refuse any request of credit whenever the Borrower has any outstanding amount to be paid to the Lender, whenever the request is above the limit of the credit granted under this agreement or whenever a material adverse change occurs, in the commercially reasonable opinion of the Lender, in the scope or nature of business, operation, assets or financial conditions of the Borrower, in its ability to perform its obligations hereunder.

(六、六) 本合同允准之借貸限額可透過借款人的申請而加以提升，但借款人及擔保人必須共同簽署本合同附件二之“博彩中介人貸款額提升申請書”。

6.6. The credit line granted under this agreement, may be increased at Borrower's request, who, together with the Guarantor, must sign a "Junket Credit Line Increase Request", in the form presented as Annex 2 of this agreement.

(六、七) 借款人所申請借貸額提升應受限於貸款人收到借款人所簽發的本合同附件一之本票及一份同意書。該本票及同意書亦均應由以下擔保人簽署作保證。

6.7. The availability of the increased credit line shall be conditional upon the reception by the Lender of a new Promissory Note ("Livrança") and a Letter of Consent ("Pacto de Preenchimento") in favor of the Lender, as attached to this Agreement as Annex 1, and secured by the Guarantor as underwriter ("Avalista").

(六、八) “博彩中介人貸款額提升申請書”之簽訂將作為證明貸款人已增加了借款人的貸款額之充分憑証。



6.8. The signed "Junket Credit Line Increase Request" will be sufficient evidence of the further amounts granted by the Lender to the Borrower.

(六、九) 因有價的約因，其包括貸款人向借款人提供所申請的信貸額並借款人承認已接受了該信貸額 (帳戶號碼: 530571)，擔保人就以此個人名義及無條件地擔保借款人向貸款人的信貸額為港幣壹億伍仟萬元 (HKD150,000,000.00)。

6.9. For valuable consideration, receipt of which is hereby acknowledged by the Borrower and which includes the granting and extension of a casino credit line by Creditor to the Borrower (Account#530571), the Guarantor personally and unconditionally guarantees the payment, to the Creditor of any amount requested by the Borrower's under the credit line granted in this agreement up to the amount and including ONE HUNDRED AND FIFTY MILLION HONG KONG DOLLARS (HKD150,000,000.00).

再者，擔保人對借款人於還合同所欠的債務需負上連帶責任。在借款人逾期不履行其債務責任時，擔保人同意澳門威尼斯人股份有限公司澳門民法典第 636 條的規定無須先追討或起訴借款人並可根據，直接向擔保人就借款人所欠債務要求還款或提出訴訟。

Further, Guarantor is jointly and severally liable for any amount owed by the Borrower under this Agreement. In the event of any default in payment by Borrower, Guarantor agrees that VML may commence collection efforts or related legal proceeding directly against Guarantor for the defaulted payment without the need of exhausting its collection efforts against Borrower/Debtor, in accordance with and for the purposes of article 636 of the Macau Civil Code.

(七) 借款人於上述每項債務履行屆滿日期之前須將已收取娛樂場籌碼之相關貸款金額支付予貸款人。

7. The Borrower shall pay to the Lender the amount of the casino chips transferred to the Borrower no later than the due date stated for each withdrawal.

(八、一) 倘若以上每項所定之到期還款日而尚未將逾期欠款全數清還時，借款人須支付逾期還款之年息為 18%，利息計算日自到期日起至欠款全數付清為止。

8.1. Any installment or amount loaned not paid on the due date(s) set out for each withdrawal shall be subject to default interest at the rate of 18% per annum, as from the date they become due and payable until effective payment.

(八、二) 當欠款持續時，每月的利息將撥入本金並按原息率作計算，直至貸款人認為欠款完全清還為止。

8.2. So long as the failure continues such rate shall be recalculated on the same basis thereafter and interest so calculated shall be compounded monthly up to the moment the Lender determines such indebtedness to be fully settled.

(九) 貸款人可以在借款人簽發並由擔保人透過保證作擔保的本票內填寫任何留空之部份，包括 (一) 貸款金額 (二) 還款到期日。

9. The Lender may complete any portion of any Promissory Note ("Livrança") executed by the Borrower, and guaranteed by the Guarantor by Aval, that may be missing, including (i) the amount of credit drawn and (ii) the maturity date.

(十) 借款人同意支付貸款人所有已收取的娛樂場籌碼，並免收不論任何性質的收費或扣除，繳付地點為澳門特別行政區氹仔望德聖母灣大馬路無門牌編號的威尼斯人澳門股份有限公司。

10. The Borrower agrees to pay to the Lender all casino chips transferred to the Borrower free of any charges or deductions of whatsoever nature at its premises known as Venetian Macau Limited, in Macau, at Estrada da Baía de N. Senhora da Esperanca, s/n, Taipa, Macau S.A.R.

(十一、一) 倘若借款人或擔保人不履行償還本合同訂定之貸款予貸款人，借款人及擔保人須以明示及不可廢止的方式賦予貸款人權利(此不構成貸款人義務)以便貸款人可使用任何借款人或擔保人的帳戶餘額(不論任何貨幣)包括 (i) 借款人或擔保人在威尼斯人澳門股份有限公司娛樂場內持有的任何帳戶(ii) 任何由貸款人持有的借款人所預付之定金或通過在威尼斯人澳門股份有限公司娛樂場籌碼計劃而獲得的或有權獲得的佣金，或 (iii) 可由借款人或擔保人兌現之娛樂場籌碼或押金作為清還所欠的本金、利息或在任何期間因本合同衍生的欠款之用。



HONGKONG

11.1. In the event of any non-payment by the Borrower and/or the Guarantor of any amounts due hereunder, the Borrower and the Guarantor hereby irrevocably empower the Lender (but without obligation, on the part of the Lender) to apply any credit balance (in whatever currency) (i) standing upon any account of the Borrower and/or of the Guarantor in the Venetian Macau Limited casinos, (ii) held in any other form by the Lender, namely any commission payment that the Borrower may have earned or be entitled to through the rolling program(s) at Venetian Macau Limited casinos, or (iii) by using any casino chips that the Borrower or the Guarantor may redeem or any front deposit money of the Borrower or the Guarantor towards satisfaction of any sum whether principal, interest or otherwise at any time due to the Lender under this Agreement.

(十一、二) 倘若借款人或擔保人不履行償還本合同訂定之貸款，借款人及擔保人還須以不可廢止的方式賦予貸款人權利，使其可以借款人、擔保人或貸款人之名義，為履行本條款而視為必須之情況下進行任何行動及簽署任何文件，且因此而產生之費用均由借款人承擔。

11.2. The Borrower and the Guarantor also hereby irrevocably empower the Lender, in the event of any non-payment by the Borrower and/or the Guarantor of any amounts hereunder when due, in the name of the Borrower and/or of the Guarantor or of the Lender and at the expense of the Borrower to do all such acts and to execute all such documents as may be required to effect such application.

(十二、一) 倘若借款人及/或擔保人不履行已承擔或將承擔的任何責任，包括不依時清還本合同所定之任何款項或根據本合同規定須清還之任何款項，貸款人有權要求即時歸還所有由借款人所欠之款項，包括尚欠之本金、任何費用或開支，並可由該時起有全權自行決定是否向法院申請對有關之債務擔保進行執行。

12.1. Should the Borrower and/or the Guarantor default any of its obligations now assumed or to be assumed, namely should the Borrower fail to pay in the manner and time set forth in this agreement or which may be claimed from the Borrower hereunder, then the Lender shall be entitled to deem due and payable all amounts loaned to the Borrower, namely as principal, fees and expenses and the Lender shall thereafter be entitled to, with full powers and at its full discretion, enforce all the guarantees provided hereunder.

(十二、二) 作為從事博彩中介人業務的借款人，倘若博彩中介人之業務不被續期或有關之准照效力被終止或因違反第 6/2002 號行政法規之要求而被中止或終結的，均被視為違約，並應承擔因違法或違反本合同任何條款所產生的法律後果。

12.2. The suspension or termination of the Borrower's activity as a gaming promoter, the non renewal or the termination of the respective license or defaulting any of the obligations set force in Administrative Regulation 6/2002, which compromises its gaming promotion activity, shall be deemed, for all events and purposes, events of default and have the exact same consequences provided for in Law or in this agreement.

(十三) 倘若在合同內所定之還款日期時而借款人尚未將每一逾期欠款一一清還，貸款人有權向借款人收取在收集任一欠款過程中所支付之費用，包括根據貸款人準備之帳單上所述的合理的律師費、法院費用以及依據本合同中具體所定利率計算之拖欠及累積的利息。

13. In the event the Borrower does not pay in full to the Lender any installment or amount loaned on the maturity dates set out for each withdrawal, the Lender shall be entitled to all costs of collection, including reasonable attorney fees, court costs, as per the amount stated in the billing note to be prepared by the Lender, and to default interest at the rate set out in such specific terms and conditions.

(十四、一) 因本貸款合同之條款而起的任何爭議須服從澳門特別行政區之法律管轄權，但並不妨礙貸款人將有關針對借款人或擔保人之訴訟程序交由其他地區之法院審理。

14.1. Any disputes arising from this agreement shall be subject to the exclusive jurisdiction of the courts of the Macau S.A.R. This shall not preclude the institution of legal proceedings against the Borrower or the Guarantor to the Lender in the Courts of any other jurisdiction.

(十四、二) 此貸款合同將受澳門法律所規範。

14.2. This loan agreement shall be governed by the laws of Macau.

(十五) 擔保人同意可根據貸款人的要求，提供予貸款人一張個人簽發的支票作為貸款之擔保物且同意貸款人有權將上述之個人支票用作來支付尚未清還的欠款。貸款人可以在擔保人之個人支票內填寫任何遺漏或空白之部份內容，包括(甲)未付清欠款金額及(乙)支票日期。

15. The Guarantor agrees to provide Lender, at Lender's option, and as security for the issuance of credit, a personal check which Lender may apply toward payment. The lender may complete any portion of the guarantor's personal cheque or cheque on board that may be missing or left blank including (i) the amount of the outstanding credit balance; (ii) date on the cheque.

(十六) 本合同中所述的約定和條款將適用於所有由借款人所要求及擔保人所簽署的信貸提升。

16. The terms and conditions provided in this agreement will be applicable to all the increases of the credit line requested by the Borrower and undersigned by the Guarantor.

(十七) 借款人聲明完全知悉及完全明白以上所有書面條款之內容，同時表明貸款人已充分地提供予借款人所要求的對條款內容之解說及任何有關的清晰說明。

17. The Borrower declares that he is fully aware of the contents of the above written clauses, that he has been duly informed on its contents and that all clarifications requested by him on this matter have been duly provided by the Lender.

澳門 4 月 18 日 2008 年
Macau, Apr. 18, 2008

貸款人 The Lender

授權於澳門威尼斯人股份有限公司 On behalf of Venetian Macau Limited

J. L. V. C.
簽署 Signature
姓名 Name: JORGE NETO VALENTE
職銜 Title: MANAGING DIRECTOR

April 28, 2008
日期 Date

借款人(好好彩娛樂一人有限公司) The Borrower (HAO CAI ENTERTAINMENT COMPANY LIMITED)

李燕萍
簽署 Signature
姓名 Name: 李燕萍 LEI, IN PENG
職銜 Title: Director

April 18, 2008
日期 Date

擔保人 Guarantor

張治太
簽署 Signature
姓名 Name: 張治太 CHEUNG, CHI TAI

April 18, 2008
日期 Date

CARTÓRIO DO NOTÁRIO PRIVADO FONG KIN IP

CONTA REGISTADA SOB O Nº 625

Artº 13º da TERN.....\$14.00

Total.....\$14.00

O imposto do selo devido foi pago no original.

Reconheço a assinatura retro do LÊI, IN PENG 李燕萍, feita perante mim, cuja identidade verificável por exibição do Bilhete de Identidade de Residente Permanente nº 7402826(7), emitido em 4 de Outubro de 2005, pela Direcção dos Serviços de Identificação da RAEM, na qualidade de administradora da sociedade denominada "DIVERSÕES HAO CAI SOCIEDADE UNIPESSOAL LIMITADA", qualidade e poderes que verificou por exibição de uma cópia emitida em 14 de Abril de 2008, pela Conservatória dos Registos Comercial e de Bens Móveis.

Macau, aos 18 de Abril de 2008.

O Notário Privado,

18 4 08

CARTÓRIO DO NOTÁRIO PRIVADO FONG KIN IP

CONTA REGISTADA SOB O Nº 626

Artº 13º da TERN.....\$7.00

Total.....\$7.00

O imposto do selo devido foi pago no original.

Reconheço a assinatura retro da CHEUNG, CHI TAI 張拾太, feita perante mim, cuja identidade verificável por exibição do Hong Kong Permanent Identity Card nº D884555(0), emitido em 9 de Setembro de 2003, pelo Governo da Região Administrativa Especial de Hong Kong.

Macau, aos 10 de Abril de 2008.

O Notário Privado,

10 4 08

Reconheço a assinatura retro, feita na minha presença, de JOAQUIM JORGE PERESTRELO NETO VALENTE, que profissionalmente usa JORGE NETO VALENTE, na qualidade de Administrador-Delegado, em representação da VENETIAN MACAU, S.A., em chinês, 威尼斯人澳門股份有限公司, em inglês, Venetian Macau Limited, cuja identidade, qualidade e poderes necessários para o acto são do meu conhecimento pessoal.

Macau, 28 de Abril de 2008.

A Notária Privada,

Maria de Lurdes Costa

Emol: catorze palacas. -

Conta n.º 88

C

EXHIBIT B

PLAINTIFF'S
EXHIBIT
1062
AC2769/ 4-21-10
CONFIDENTIAL (LTF)

Message

From: Gonzalez, Al [Al.Gonzalez@venetian.com]
Sent: 3/31/2010 12:26:57 AM
To: Leven, Michael [/O=FIRST ORGANIZATION/OU=FIRST ADMINISTRATIVE GROUP/CN=RECIPIENTS/CN=LEVENM]
CC: Reese, Ron [Ron.Reese@venetian.com]; Hu, Christine [/O=FIRST ORGANIZATION/OU=FIRST ADMINISTRATIVE GROUP/CN=RECIPIENTS/CN=CHRISTINE.HU]; Melo, Luis [/O=FIRST ORGANIZATION/OU=FIRST ADMINISTRATIVE GROUP/CN=RECIPIENTS/CN=LUIS.MELO]; Jacobs, Steve [/O=FIRST ORGANIZATION/OU=FIRST ADMINISTRATIVE GROUP/CN=RECIPIENTS/CN=STEVE.JACOBS]; Kraus, Fred [/O=FIRST ORGANIZATION/OU=FIRST ADMINISTRATIVE GROUP/CN=RECIPIENTS/CN=KRAUSF]; McCabe, Kim [Kim.McCabe@venetian.com]
Subject: Re: Update re Draft Response to Report's Query

Fred and I spoke yesterday about gaming regulatory and legal issues raised. We're going to discuss it again today. May need to investigate this on our own and see what the facts really are and take appropriate action.

On Mar 30, 2010, at 8:38 AM, "Leven, Michael" <Mike.Leven@venetian.com> wrote:

Now that story is out what are we doing

From: Gonzalez, Al
Sent: Wednesday, March 24, 2010 11:23 AM
To: Reese, Ron; Hu, Christine; Melo, Luis
Cc: Leven, Michael; Jacobs, Steve; Kraus, Fred; McCabe, Kim
Subject: RE: Update re Draft Response to Report's Query

CONFIDENTIAL AND ATTORNEY CLIENT PRIVILEGED COMMUNICATION

Ron, we've received information indicating VML's relationship with Cheung Chi Tai is more significant than it first seemed. While it's true he doesn't appear to be a shareholder of record of any of the entities we identify in our proposed response, he is a substantial guarantor of two of the gaming promoters, Hao Cai Junket at Venetian Macao for HK\$150 million and Hou Wan Junket at Sands Macao for HK\$100 million. I'd have to presume, but don't know for a fact, that such guarantees are in writing and, if that's the case, then we have a contractual relationship with him and certainly know he's financially backing and otherwise connected with these two promoters.

The information developed so far is still preliminary and we're continuing to gather more. We may be able to say he's not "listed in official records" as a shareholder or director, but need this verified to be certain it's true. However, our records show we have a monetarily material relationship with him and that a similar one

SJACOBS00054833-00001

SJACOBS00054833-00001
SCJ - SJACOBS0101859

Plaintiff Ex.1062_00001

exists between him and the promoters. Consequently, we need to exercise a high degree of caution in responding given the uncertainty of the facts and the communications we know the reporter has had with knowledgeable sources.

Regards, Al

From: Reese, Ron
Sent: Wednesday, March 24, 2010 6:53 AM
To: Hu, Christine; Melo, Luis; Gonzalez, Al
Cc: Leven, Michael; Jacobs, Steve; Kraus, Fred; McCabe, Kim
Subject: Re: Update re Draft Response to Report's Query

Given the information surrounding the contractual relationship has been confirmed, I think Christine's latest edits provide us the best response.

I also agree with dropping the second response. It is purposefully vague and very general and was written only to provide cover with the regulators.

Thanks to all for your timely input. Please let me know if you have final thoughts.

From: Hu, Christine <christine.hu@venetian.com.mo>
To: Melo, Luis; Gonzalez, Al; Reese, Ron
Cc: Leven, Michael; Jacobs, Steve; Kraus, Fred; McCabe, Kim
Sent: Wed Mar 24 02:38:12 2010
Subject: RE: Update re Draft Response to Report's Query

Dear all,

According to our junket due diligence record, Golden Neptune Limited (Neptune Ouro Sociedade Unipessoal Limitada) did sign the junket agreement with VML in 2006 and again in 2010 and was issued a license by DICJ in 2007 and 2009, although they have never commenced operations within our properties. Golden Neptune is a Macau registered company solely for the purpose of gaming promotion in Macau and its listed 100% shareholder and director is Luu, Muoi Heng. The Neptune Group mentioned by the Reporter refers to a HK company with a different shareholding structure.

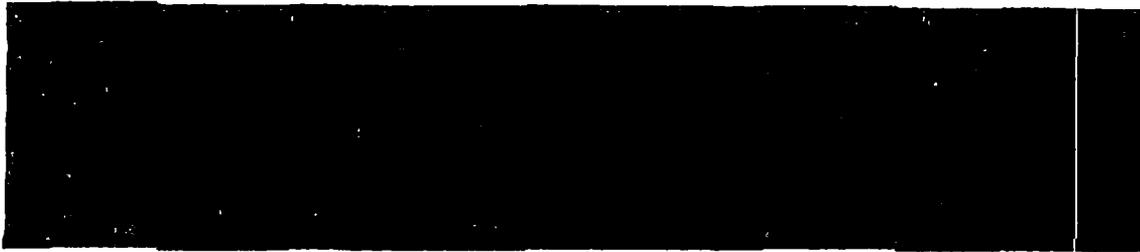
SJACOBS00054833-00002

SJACOBS00054833-00002
SCJ - SJACOBS0101860

Plaintiff Ex.1062_00002

As suggested in the email attached (with details for your reference), I think we should keep the response brief. I have made some minor modifications to the first paragraph sent out by Ron. As to the second one, I would agree with Al's comments.

First Paragraph



Thanks,

Christine Y. Hu

Regional Director of Compliance

Venician Macau Limited

The Venician Macao Resort Hotel

Executive Offices - L2

Estrada da Baía de N. Senhora da Esperança, s/n

Taipa, Macau

Tel: 853-811-82379

Fax: 853-2888-3382



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SJACOBS00054833-00003

SJACOBS00054833-00003
SCJ - SJACOBS0101861

Plaintiff Ex.1062_00003

199810140001

100410001

EXHIBIT C

MARKED FOR IDENTIFICATION
PROPOSED EXHIBIT (PLTF)
1081
Case No. A627091

Message

From: Gonzalez, Al [Al.Gonzalez@venetian.com]
Sent: 4/29/2010 6:28:52 PM
To: Jacobs, Steve [steve.jacobs@venetian.com.mo]
CC: Hyman, Gayle [Gayle.Hyman@venetian.com]
Subject: FW: Final Report
Attachments: Las Vegas Sands - Report on Ng Lapseng - 30 March 2010 Final.pdf
Importance: High
Sensitivity: Company Confidential

Steve, I may have emailed this investigative report to you, but don't know for sure. Should you need any further assistance or counsel in this regard, please feel free to talk to Gayle.

The next email I forward will contain the password.

Regards, Al

From: Steve Vickers [mailto:steve.vickers@intl-risk.com]
Sent: Monday, March 29, 2010 10:04 PM
To: Gonzalez, Al
Subject: Final Report
Importance: High
Sensitivity: Confidential

Dear Al,

Firstly, thank you very much for your patience.

Please find attached the final form report on the target you asked us to investigate.

The conclusions are largely the same but I have personally gone through the sources of information to ensure that you can defend a position on this individual should you have to.

Thank you for the opportunity to be of services to Las Vegas Sands.

I will send the key separately.

Kind regards,
Steve

Steve Vickers
President & CEO
FTI-International Risk

www.intl-risk.com

SJACOBS00057752-00001
Plaintiff Ex.1081_00001

SCJ - SJACOBS0107849

UNCLASSIFIED

Privileged & Confidential

Las Vegas Sands Corporation

**Final Report on a Discreet Due
Diligence Investigation into
Ng Lap Seng
in Macau & Hong Kong**

30 March 2010

**International Risk Limited
www.Intl-risk.com**

Plaintiff Ex.1081_00003

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International Risk Ltd, its employees, agents and servants specifically deny any liability whatsoever to any other party who may seek to use or rely on the whole, or any part, of this report or to the parties to whom it is addressed for the use, whether in whole or in part, for any other purpose than as set out in our engagement letter.

This report is prepared on information made available up to the date of this report and we reserve the right to amend opinions, conclusions or recommendations, if necessary, based on factual information that comes to our attention after that date.

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INTRODUCTION TO ASSIGNMENT

Background

International Risk understands that Las Vegas Sands Corporation ("Sands") is considering a potential business relationship ("the Potential Relationship") with Ng Lap Seng (吳立勝) ("Ng"), who is chairman of San Kin Yip Group and principally based in Macau SAR ("Macau") and Hong Kong SAR ("Hong Kong"). We were provided with an excerpt of an article purportedly written in 2006, which presented additional background information on Ng, with regards to his relationship with the Clinton Administration.

We understand that the Potential Relationship involves working with Ng on some (unspecified) sensitive governmental relations issue in Macau and the PRC.

As a highly ethical and prudent organization, Sands is keen to ensure that there is nothing in the background or reputation of Ng which might preclude Sands from entering into the Potential Relationship. Further, Sands is operating in a highly regulated industry with regulators in various jurisdictions. Regulators will be keenly monitoring any potential transaction and will need solid assurances that a thorough level of due diligence has been conducted.

Start Up Information

At the commencement of the project, Sands provided International Risk with the following brief on Ng:

- He is a member of the Chinese People's Political Consultative Committee ("CPPCC");
- He is the Chairman of San Kin Yip Group;

- He has business relationships (investments) with Stanley Ho;
- Together with other low-profile investor/partners including Sio Tak Hung, Suen Yan Kwong and others, he is the owner of Fortuna Hotel;
- His latest development project is called "Windsor Arch," a residential 1,500 unit project that sits on the hillside opposite the Macau Jockey Club;
- Windsor Arch has apparently been heavily criticized by David Chow for blocking out the view for existing residents; and
- We further understand that "Windsor Arch" was the title sponsor of the 2009 Macau Grand Prix as well as other government events.

Additionally, International Risk was provided with an excerpt of an article purportedly written in 2008, which presented the following additional background information on Ng:

"...Macao hotel/casino owner Ng Lapseng frequently visited the Clinton White House with his good friend Charlie "Yeh Lin" Trie, the Arkansas restaurant owner and alleged member of the 14K Triad Group. Ng reportedly stayed overnight at the White House as a guest of the Clintons.

Further proof of Ng Lapseng's association with Bill and Hillary Clinton comes in the form of photographs. There is the 1995 photo of Ng Lapseng and the Clintons taken in front of a DNC symbol. The photo of Ng Lapseng is very telling in that both Bill and Hillary Clinton were certainly aware that Ng is the owner of the Macao-based Fortuna Hotel.

... The Fortuna hotel is more than just a casino and resort in Macao. According to the Fortuna advertisements, children under 12 can stay free at the hotel. However, according to the Fortuna brochure, for a fee beautiful young hostesses from various countries can also entertain businessmen.

Ng also has a very interesting connection to the Hughes violations of national security. According to the 123 national security violations filed against Hughes, Satellite Corporation, the Sino-Canada Telecommunications and Investment Management Company were incorporated in Macao, "having its principal place of business at the Hotel Fortuna."

According to the State Department charges, the Sino-Canada Telecommunications Company also had contracted with Hughes for a large part of the APMT satellite contract then destined for China in 1995. In fact, Sino-Canada paid Hughes \$5 million up front that was not reported to the State Department.

Sino-Canada's managing director, Suen Yan Kwong, was the founder of Chung Klu Telecommunication, which had invested in cellular telecommunications for use under

Methodology

International Risk undertook this assignment, to conduct a discreet due diligence investigation into Ng, using a methodology agreed with Sands.

International Risk commenced this discreet due diligence investigation by reviewing the information on Ng as provided by Sands. We then independently undertook a comprehensive search of available on-line sources in English and Chinese languages for information on the public profile of Ng.

International Risk concurrently conducted a search of litigation and bankruptcy records in Hong Kong, Macau and the USA, for any available information to suggest that Ng has been involved in court actions. We also retrieved corporate records from the Hong Kong Companies Registry and the Macau Companies Registry (which is the Commercial and Moveable Assets Department) to identify directorships held by Ng. In addition, we undertook searches of other available on-line regulatory records in relation to Ng.

This was followed by discreet field inquiries using independent sources in Hong Kong and Macau to ascertain the background and reputation of Ng. International Risk discreetly interviewed a broad range of sources including government and regulatory officials, law enforcement, current and former business associates, and industry sources that were knowledgeable about Ng. We also interviewed other sources that have undertaken business transactions with Ng or otherwise are in a position to provide some insight into the reputation of Ng.

International Risk collated and critically analysed the information available from all sources and prepared this report on our findings, together with appropriate recommendations.

EXECUTIVE SUMMARY

International Risk has completed a discreet investigation into the background and reputation of Ng Lapseng ("Ng") in Macau and Hong Kong to identify any issues associated with his reputations or other related matters which might affect the Potential Relationship with Sands. Below is a summary of our key findings:

Ng Lapseng

- Born in 1948, Ng is a native of Guangdong Province, but moved to Macau in 1979 and is now a permanent resident of the territory. He has both a Macau passport (M0080638) and a Portugal passport (C-113440). Ng is married and has at least one adult son who is involved in Ng's key businesses. He is reported to spend most of his time in Macau, rarely visiting Hong Kong.
- Ng started his career in Macau trading cheap garments, and by the early 1990s had become a very rich businessman. Verifiable information on the sources of his initial wealth was unavailable, although he now has a major business in real estate investment and development primarily focused in Macau. Ng owns the San Kin Yip Group of companies in both Macau and Hong Kong of which he is Chairman; this group is reported to consist of 30 subsidiaries and over 100 joint ventures and business with total investment exceeding HKD 10 billion. Ng also co-owns Hotel Fortuna in Macau, which has a sales representative office in Hong Kong.
- There are several issues regarding Ng's business activities. The San Kin Yip Group controls Victory Real Estate Development Co Ltd, which is the property developer of a controversial major residential project named Windsor Arch in Macau. The property was originally scheduled to be completed in early 2010, but the project was suspended in 2008 after a dispute in Macau over the height of the buildings, which blocked views of two existing high-class

residential complexes. Approval for the 42-storey Windsor Arch was provided by Au Man Long, the former Secretary for Land, Public Works and Transport in Macau who was convicted for corruption.

- Ng's companies have also been involved in several litigation proceedings. (1) In 2007, it was reported that the San Kin Yip Group and Ng refused to abide by a court order in relation to unpaid construction work in Zhuhai. (2) Another civil claim was filed against San Kin Yip Group companies in 1999 in Hong Kong in relation to a guarantee dispute. (3) In 2006, the late Nina Wang filed a claim in the HK court against Ng and his son for HKD 30 million regarding misrepresentation of a company's counterfeit technology franchises. (4) The late Nina Wang also appeared to have had a separate legal dispute with Ng, when she filed a claim in 2002 for RMB 30 million against Ng for his failure to provide certain unspecified information on her then prospective acquisition of TeleDifusão de Macau S.A (for 51% of its shareholding). (The latter two matters were likely settled out of court).
- Ng keeps a low profile socially and yet is politically well-connected in both Macau and parts of Guangdong Province in China, where he has reasonably good connections with local municipal authorities such as Guangzhou, Nanhai and Foshan. Although Ng has never been a member of the Legislative Assembly of the Macao Special Administrative Region, he was a member of various political committees (appointed by the Chief Executive of Macau) and has remained a significant public figure in Macau politics. In addition, Ng has recently been appointed as a member of the 11th Chinese People's Political Consultative Conference (CCPCC). He has also acquired a number of social honours and titles in Macau and China, which are widely given to recognize public service and supporting economic and social development in China.
- Ng has also made political donations to the US Democratic Party in the 1990s. He reportedly made these financial contributions during the Clinton

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Administration with the aim of getting access to the US market; he is said to have visited the White House ten times between 1994 and 1996, including at least one meeting with then-President Clinton. However, Ng's donations were reportedly later returned, likely as a consequence of concerns raised in the media at the time regarding the origin of these funds. Although details were lacking, media reports suggested that Ng had been linked to organised crime in Asia.

- Ng is characterized in the media as a 'Macau Crime Lord' and a kingpin of the international slave prostitution trade. It is further reported that Hotel Fortuna private VIP karaoke rooms are known hangouts for the Wo On Lok Triad Society (or Shui Fong) members; Shui Fong is notorious for their illegal activities in loan sharking, protection rackets and prostitution in Macau. A government source involved in a gaming regulation in Macau advised that Ng is believed to be a triad member of the Shui Fong triad society. The same source together with a law enforcement source also reported that Ng has also been involved in controlling prostitution rackets in Macau for many years.
- Ng is also reported to have close connections with high ranking generals of the Peoples' Liberation Army ("PLA"). According to one unconfirmed media report, Ng was actively involved in the purchase of an ex-Russian aircraft carrier in 1998; initially acquired by a Macau company to be converted into a floating casino, there is speculation the vessel will be refurbished to become an operational carrier in the next few years. Ng's involvement with this carrier could not be confirmed through other sources. However, a local journalist source reported that Ng is well connected with Chinese Communist Party officials, including PLA generals. The nightclub at Hotel Fortuna is said to be frequented by senior PLA officials; they reportedly receive rooms for free and carte blanche services within the hotel's entertainment establishments. Ng's proximity and use by the PLA was also raised by knowledgeable sources.

- Ng is described by industry sources as a cunning businessman, lacking in integrity and untrustworthy in his operations. He is also a close business associate of Dr. Stanley Ho. As well as further comments on Ng's association with triads, one horse racing industry source reported that Ng may also be involved in illegal bookmaking syndicates operating in Macau, although no concrete evidence was provided. A Macau junket source reported that Ng has also been the subject of several international investigations regarding his activities. However, despite the various allegations, no information was located to suggest that Ng has ever been charged with any criminal offence by the relevant authorities in Hong Kong or Macau, and he is not on any exclusion lists of gaming regulators in the US or Australia.

Assessment

Ng is widely profiled as being politically well connected in both Macau and China. He is also seen as a successful and wealthy businessman with extensive interests in real estate investment and development. However, despite his excellent network and business experience, our investigation located a large number of 'red flags' regarding Ng which are likely to be of concern to Sands.

Although Ng's political connections are widely publicized, these raise a range of issues. In Macau, Ng is a high profile businessman, but seems to have been associated with the now-convicted former Secretary for Transport and Public Work in securing the rights to build his major Windsor Arch project. In addition, while Ng appears to be in good standing in China, with the award of honorary titles and political memberships widely given to recognize public service and supporting economic and social development, knowledgeable sources report that Ng has a close relationship to the Chinese PLA. Meanwhile, Ng's US political donations in support of the Clinton Administration in the 1990s have also been tainted after his money was returned following concerns raised in the media as to the origin of the funds and allegations of organised crime links.

International Risk's interviews in Macau, including with law enforcement, government and other local sources, concur that there are major question marks over Ng's status. The reputational issues surrounding him relate to his alleged links to triad groups in Macau, as well as his suspected involvement in illegal bookmaking and the control of prostitution in Macau, although Ng does not have a criminal record. We further note that Ng is described by industry sources as untrustworthy and lacking in integrity. Although many of these reputational issues could be applied to other business figures in Macau, based on our experience, International Risk notes that Ng's reputation and connections are far more toxic than those of the average Macau/Chinese business and gaming tycoons we have investigated to date.

Considering the wide-ranging issues surrounding Ng, we recommend Sands proceeds with extreme caution in any relationship with him as news of such an association could be of major potential reputational risk.

According to a report from April 2008, Ng's wife is Pun Nun Ho (潘煖荷)⁴.

Political Involvement in Macau and China

Ng reportedly has strong political influence in Macau and some parts of the Guangdong Province, China, although not in Hong Kong. Although he has never held any seat in the Legislative Assembly of the Macao Special Administrative Region ("LAMSAR"), he was a member of Macau SAR Preparatory Committee (澳門特別行政區籌委會委員)⁵ and the Electoral Affairs Committee for the Election of the Chief Executive ("EACCE") in Macau (澳門行政長官選舉管理委員會)⁶ in 2004 and 2009. In 2002 and 2007, he was appointed as a member of Economic Development Committee (經濟發展委員會) by then Chief Executive of Macau, Edmund Ho Hau Wah (何厚鏞)⁷.

Another media report dated 3 March 2010 revealed that Ng has recently been appointed as a member of 11th Chinese People's Political Consultative Conference (CCPCC) (第十一屆全國政協委員)⁸.

Business Interests

Hotel Fortuna

In Macau, Ng's most visible interest is his part ownership of the Hotel Fortuna, a somewhat garish high-rise building in the heart of Macau's gambling district, featuring a 20,000-square-foot nightclub with 'table dancing' by strippers, as well as a massage parlor; and over 30 independent karaoke rooms, all luxuriously decorated

⁴ http://www.rulln.gov.cn/dynamicinformation/imagenews/200604/20060417_7787.htm.

⁵ <http://www.macaudata.com/macauweb/Encyclopedia/html/50605.htm>.

⁶ <http://www.ce-election.gov.mo/listCAECE.htm>, and http://bo.io.gov.mo/bo/2009/18/listCAECE-E01_cn.asp.

⁷ http://bo.io.gov.mo/bo/2007/44/despce_cn.asp#297.

⁸ http://www.takungpao.com/news/10/03/03/npc_paper02-1222598.htm.

with the most advanced audio and video systems. The hotel also reportedly provides attractive and attentive Asian and erotic Western hostesses for their entertainment.

According to the hotel's website, there is also another Fortuna Hotel in Foshan, China and a sales representative office in Hong Kong. Reported contacts are as follows:⁹

Hotel Fortuna, Macau

Address: No. 63 Rua de Cantao, Macau (澳門新口岸廣州街 63 號)
Tel: (853) 28 786 333
Fax: (853) 28 786 363
Web site: <http://www.hotelfortuna.com.mo>
E-mail: fortuna@hotelfortuna.com.mo

Hotel Fortuna, Foshan

Address: 82 Lecong Dadao, Lecong town, Shunde, Foshan, China
(廣州市佛山市順德區樂從鎮樂從大道東 82 號)
Tel: 86-757- 2883 8888
Fax: 86-757 2883 2002
Web site: <http://www.hotelfortuna.com.cn>
E-mail: hotel@hotelfortuna.com.cn

Hong Kong Office

Address: Shop 3129, Diamond Square 3/F, Shun Tak Centre 1
68 Connaught Road Central, Hong Kong
Tel: (852) 2517 3728
Fax: (852) 2517 3720

In addition to co-owned Hotel Fortuna, Ng reportedly owns a small commercial center linking the hotel to the Lisboa Casino, the flagship of casino magnate Dr.

⁹ <http://www.hotelfortuna.com.mo/eng/about.html>

Stanley Ho. In partnership with Dr. Stanley Ho and mainland concerns, Ng reportedly also has a major stake in a grandiose USD1.4 billion development project called Nam Van Lakes. A media report also mentioned he is a director of Macau Nam Van Development Co Ltd (澳門南灣發展有限公司)¹⁰.

San Kin Yip Group

Ng is almost always referred to in media reports as the Chairman of San Kin Yip Group ("SKY") (新建築集團)¹¹, a real estate property development company in Macau¹². The SKY group is reported to consist of 30 subsidiaries and over 100 joint ventures and business co-owned with other business partners with a total investment exceeds HKD 10 billion. In 1998, SKY was reportedly granted a contract for the construction of Lotus Bridge (蓮花大橋) which connects Zhuhai (珠海) with Macau when fully completed.

A press release of a Hong Kong-listed company called Honesty Treasure International Holdings Ltd ("Honesty Treasure") (佰寶國際控股有限公司) (Stock code: 600) dated 24 May 2006 revealed that Ng had entered a provisional sales and purchase agreement with Honesty Treasure to sell 66 residential units and 60 car parking spaces at various floors of Edificio Chu Kuan Mansion (珠光大廈) for a total consideration of HKD 139.8 million.

TeleDifusão de Macau S.A. ("TDM")

Ng is reportedly a former director of TeleDifusão de Macau S.A. (澳門廣播電視股份有限公司) ("TDM")¹³. An online news report dated 19 October 2002 stated that Sun Wen (新韻) and other two shareholders, Shun Sing Da (信誠達) and Nan Guang Co (

¹⁰ http://news.china.com/zh_cn/news/100/11038989/20080228/14694327.html

¹¹ <http://www.cnki.com.cn/Article/CJFDTotal-JRZZ808.007.htm>

¹² <http://www.macaudata.com/macauweb/Encyclopedia/html/40806.htm>

¹³ <http://world.people.com.cn/BIG5/8993010.html>

南光公司), had returned their shares to TDM with zero consideration. The same report mentioned these three shareholders did not pay their share capital totaling 80 million Macau Patacas. Ng reportedly received TDM shares from Dr. Stanley Ho and also Edmund Ho Hau Wah (何厚緯), when he was first elected as Macau's first Chief Executive in 1999¹⁴.

Person(s) with similar name(s)

Search in the media found reference to the following companies being registered under the Chinese language name of Ng Lapseng (吴立胜)¹⁵:

Company Name: Guangzhou City Shengye Property and Land Developing Company Limited (广州市胜业房地产发展有限公司)
Address: 5/F, 50 Shamian South Street, Liwan District, Guangzhou City, Guangdong Province (广东省广州市荔湾区沙面南街 50 号 5 楼)
Contact: Ng Lapseng (吴立胜)
Tel: 86-020-81889238

Company Name: Guangzhou City Guangzheng Land Developing Company Limited 广州市广胜房地产发展有限公司
Address: 5/F, 50 Shamian South Street, Liwan District, Guangzhou City, Guangdong Province 广东省广州市荔湾区沙面南街 50 号 5 楼
Contact: Ng Lapseng (吴立胜)
Tel: 86-020-81889238

Note: Given Ng's background and the real estate business interests of his companies in Macau and Hong Kong, it is our assessment that the above-mentioned Ng Lapseng is Ng.

¹⁴<http://www.singtao.com/archive/fullstory.asp?andor=or&year1=2002&month1=10&day1=19&year2=2002&month2=10&day2=19&category=all&id=20021019a05&keyword1=&keyword2=>

¹⁵http://www.qy7788.com.cn/liwanqu/liwanqu_72.html

Social honours and titles

Ng has acquired a number of social honours and titles¹⁶, including:

1. Honorary President of Macau General Association of Real Estate (澳门地产商会荣誉会长);
2. Honorary President of Macao Nanhai City Jiujiang County Association (澳门南海同乡会名誉会长);
3. Committee member of Guangdong Overseas Friendship Association (广东海外联谊会理事);
4. Honorary Committee member of Guangzhou City Charity Association (广州市慈善会名誉理事);
5. Vice Chairman of Guangzhou City Federation of Industry & Commerce (广州市工商业联合会副会长); and
6. Director of Caribbean and America Action Association (加勒比拉丁美洲行动协会总会董事).

A media article dated 19 March 2009 reports that Ng received the Millennium Development Goal award from United Nations Millennium Development Goal Awards Committee on 17 March 2009¹⁷.

Ng is also reported as:

1. Member of National CCPCC member (全国政协委员);
2. Heilongjiang Province CCPCC member (黑龙江省政协委员);
3. Guangzhou City CCPCC member (广州市政协委员);
4. Member of Macau Special Administrative Region Preparatory Committee (澳门特别行政区筹委会委员);
5. Honorary Doctor of Economics, American Pacific University;

¹⁶ <http://www.nitcnc.gov.cn/data/lb/2004/Character/DL/DL-20040302194759>.

¹⁷ <http://news.163.com/09/0319/13/54P8K71A000120GR.html>.

6. Honorary Citizen of Guangzhou City;
7. Honorary Citizen of Nanhai (南海); and
8. Honorary Citizen of Foshan (佛山)¹⁸.

Reports on Litigation in China

A blog entry dated 4 July 2008 reported that the Ng's company San Kin Yip Group Co Ltd (新建业集团有限公司) ("SKY") owed RMB 1.98 million to Guangzhou Development Zone Sub Company (a subsidiary of Erdongnan Foundation Engineering Co Ltd) (鄂东南基础工程公司广州开发区分公司) ("Erdongnan"), in relation to the construction of Zhuhai Hengqing Frontier Control Building and Lianhua Bridge (珠海横琴联检楼和莲花大桥工程) from 1998 to 2002. As a result, Erdongnan sued SKY in February 2004 before the Intermediate People's Court in Zhuhai (珠海中级人民法院). The court reportedly awarded judgment in favor of the Erdongnan in May 2005 and ordered that part of SKY's 25% ownership in its subsidiary company, Jianxu Chenghong Fiber Co Ltd (江苏澄虹化纤有限公司), which has a total reported face value of USD 18.75 million, be frozen for the purposes of repayment of damages. In December 2007, the same court reportedly summoned SKY and Ng, in his capacity as chairman of SKY, to the court to re-enforce the earlier court order. Ng and SKY reportedly refused to abide by the court order. No further news in relation to this case was located in the media.¹⁹

An online source reported on another litigation dispute. In April 1999, San Kin Yip Property Development (HK) Ltd (新建业置业地产(香港)有限公司) ("SKY HK") and Shenda Development Co Ltd (森达发展有限公司) (Shenda) (collectively "the plaintiffs") sued San Kin Yip Property Development (Shanghai) Ltd (新建业置业地产(上海)有限公司) ("SKY Shanghai") and Hong Kong Wai Shing International Co Ltd (香港伟成国际有限公司) ("Wai Shing") (collectively "the defendants") in the People's

¹⁸ http://fszx.gov.cn/lswsqw/rvsm/200911/20091117_1417434.htm.

¹⁹ <http://wangsir28.blog.sohu.com/93702091.html>.

High Court in Shanghai (上海人民高等法院) for an outstanding principal amount of HKD 108.69 million and accrued interest of HKD 35.91 million. The nature of the claim was listed as 'breach of contract'.

The court reportedly awarded judgment in favour of the plaintiffs and ordered Wai Shing to repay the amount claimed. In addition, SKY Shanghai was also reportedly subjected to a joint and several liability settlement of the amount claim. The aforementioned defendants appealed to the Supreme People's Court (最高人民法院) in 1999 but the original ruling and judgment were reportedly upheld by the Supreme People's Court in 2001²⁰.

Legal Disputes with Nina Wang in Hong Kong

A media report dated 30 December 2006 revealed that Richtime Management Ltd, ("Richtime"), a company indirectly controlled by the late Nina Wang ("Nina") (龔如心), filed a claim of HKD 30 million against Ng, as well as E Card Technology Co Ltd (易卡國際科技股份有限公司) ("E Card") and Huang Wen Hsien (黃文賢), a director of E Card, in relation to an investment in an E Card controlled company named Lesen Technologies ("Lesen") for misrepresentation of having valid anti-counterfeiting technology franchises.²¹

Separately, two media references dated August 2002 reported that Ng had another legal dispute with Nina earlier as regards to the latter's prospective acquisition of 51% shares of TeleDifusão de Macau S.A. ("TDM") (澳門廣播電視有限公司) for HKD 142.8 million. Reportedly Nina sought the return of the RMB 30 million deposit following Ng's failure, as a director of TDM, to provide certain unspecified information relating to this deal.²²

²⁰ <http://vlp.chinainlawinfo.com/News/nw2002/SLC/slc.asp?db=fnl&qid=117507832>.

²¹ <http://news.sina.com.hk/cgi-bin/nw/show.cgi/2/1/1/342294/1.htm>.

²² <http://city.lcchina.com/news/getinfo.asp?id=63644>;
<http://www.qq.com/epoctime.com/b3/2/8/1/n205971.htm>.

Alleged Organized Crime Connections

Comprehensive Internet and media research located a number of media references that alleged Ng to have connections with criminal and/or prostitution networks in Macau.

Described by a number of media references as a Macao 'prostitution racketeer'²³, 'criminal-syndicate figure'²⁴, and to sell women for sex²⁵, we located a number of media references that alleged Ng to have (circumstantial) connections with criminal and/or prostitution networks in Macau. We note, however, that there appears to be no evidence that ties Ng with a specific criminal activity nor that any of these allegations have been proven (or otherwise).

A 1997 New York Times article mentioned in passing that Ng 'has been linked to organized crime in Asia'. Although the details of his alleged criminal connections were somewhat lacking, this reference claimed that, following questioning by the media, Ng's donations to the Democratic Party were returned²⁶ (see below).

One source of Ng's alleged connections with organized crime and prostitution appears to have come from his business interests in Macau; this included his ownership of the Fortuna Hotel. According to a media reference, the Fortuna hotel boasts a 20,000 sq ft nightclub which, according to its brochure, offers 'attractive and attentive hostesses from China, Korea, Singapore, Malaysia, Vietnam, Indonesia and Burma together with erotic girls from Europe and Russia, certainly offer you an exciting and unforgettable evening with friends or business associates'²⁷. This reference alleges that the private VIP karaoke rooms in there are 'known hangouts for the Wo On Lok Triad, which is involved in gambling, loan sharking, protection rackets and prostitution'²⁸.

²³ J. Michael Waller, 'Veep's Presence Gores Crime Confab', *Insight Magazine*, 22 March 1999

²⁴ J. Michael Waller, 'Mounties: Clinton Doer a Gangster', *Insight Magazine*, 17 April 2000.

²⁵ <http://archive.newsmag.com/archives/articles/2007/4/3/113339.shtml>

²⁶ Stephen Labaton, 'Tape Links Clinton to Man Tied to Crime', *The New York Times*, 18 October 1997

²⁷ Micah Morrison, 'The Macau Connection', *The Wall Street Journal Europe*, 27 February 1998.

²⁸ *Ibid.*

US Political Donations

Ng has been linked with political donations to the Democratic Party / Bill Clinton, made between 1994 and 1996²⁹.

Reportedly relevant US federal election laws prohibits foreign contributions to US political parties. The Democratic Party was subjected to investigations as regards to the origin and sources of some of their 1996 campaign donations. Ng was described in a media reference to have said that 'he believed that giving money to Clinton and the Democrats would buy him access to the US market, a market he has longed to crack for years'³⁰.

Ng, as he was alleged in a number of media references, might have made political contributions in a number of separate occasions to the Democratic Party / Bill Clinton, through an Arkansas restaurateur Yah Lin 'Charlie' Trie ("Trie"), said to be a friend of the Clinton's³¹. Further reports from a Senate Committee hearing included a statement from an FBI agent that Trie had used some of the USD905,000 wired to him from Ng (described as his business partner, also known as 'Mr. Wu'), to underwrite donations to the Democratic National Committee between 1995 and 1996³².

One of the outcomes of these donations, as a *Wall Street Journal (Europe)* article reported, was Ng succeeded in visiting the White House ten times between 1994 and 1996, including at least one meeting with the then-President Clinton³³. There is no indication that any more recent US political donations have been provided.

²⁹ http://www.fas.org/irp/congress/1998_rm/sqc-sir/2-19.htm

³⁰ 'The Curious Cast of Asian Donors; Some Sought Access to Clinton, Others' Motives Remain Murky', *The Washington Post*, 27 January 1997.

³¹ 'Senate committee hears about overseas money', *USA Today*, 29 July 1997

³² 'Senate Committee hears about overseas money', 2 July 1997

³³ Micah Morrison, 'The Macau Connection', *The Wall Street Journal Europe*, 27 February 1998

As reported above, it is alleged in another media reference that Ng's donations to the Democratic Party were returned (uncertain if just in part), allegedly after questions regarding the origins of these funds were raised in news reports at the time³⁴. The money might also have been returned following allegations that Trie funnelled foreign money to a US political party – this was to lead to Trie's indictment by the Justice Department in January 1998.³⁵

Meeting with former Taiwan President

According to a single uncorroborated media reference from 2008, Ng met the now-disgraced former Taiwan President Chen Shui Bien ("Chen") in Taiwan in October 2005, with a view to laying down the groundwork for Chen to attend the forthcoming APEC summit. This reference claimed that Ng and Chen met at the latter's official residence in Yu Shan in Taiwan (玉山官邸)³⁶.

Connections with the PLA

Media searches located several reports published in 2006 and 2007 on the background of Ng and his key known activities (same as provided to us by Sands at the commencement of our engagement)³⁷

According to another media reference from 1998, Ng's nightclub in the Fortuna Hotel in Macau is known to be frequented by officials from the PLA³⁸.

Another more recent media reference, dated 2007, claimed that Ng may have 'represented' the executives of a Macau-registered company named Chong Lot,

³⁴ Stephen Labaton, 'Tape Links Clinton to Men Tied to Crime', *The New York Times*, 18 October 1997

³⁵ http://www.fas.org/irp/congress/1998_fol/sop/sir/2-19.htm; Roberto Suro and Toni Locy, 'Indictment Returned in Fund Probe; Charlie Trie Charged with Funneling Money to Democrats', *The Washington Post*, 29 January 1998.

³⁶ <http://times.hinet.net/times/article.do?newsid=1609838&option=pollitics>.

³⁷ <http://archivo.newsmx.com/archivos/articulos/2006/1/26/222811.shtml>.

³⁸ Micah Morrison, 'The Macau Connection', *The Wall Street Journal Europe*, 27 February 1998

which was said to have bought the engineless and weaponless Ukrainian aircraft carrier *Varyag* in 1998 at an auction³⁹. This vessel was reportedly bought by a Macau-registered company named 'Chong Lot' for USD 20 million to be converted into a floating casino, subject to the approval of the Macau government. However, it is currently undergoing refurbishment and there is speculation that it will become an operational carrier in the next few years.

However, we have been unable to corroborate Ng's connections to the PLA through this carrier with other sources and media references. Further reports about this issue make no mention of Ng being involved in the deal, with two Hong Kong ID holders identified as the owners of Chong Lot who brought the *Varyag*. These men, Cheng Zhen-shu and Chong Lap-cheung, are described in the news reports as ex-PLA naval officers. They were assisted by a pro-Beijing Macau politician called Ng Fok, but Ng Lapseng's name does not appear in the English language reporting⁴⁰.

Database Checks

World-Check Search

Search of the World-Check database service located reference to a person with the same name as Ng Lapseng (with an alias Wu, Li Sheng). He is profiled as a real estate businessman and a member of the National Committee of the Chinese People's Political Consultative Conference, as of 2009. This person was born on 1948 with a Macau ID number 73402653. Based on the political and business background, we assess this person is the subject of investigation.

³⁹ <http://archive.newsmax.com/archives/articles/2007/4/3/113339.shtml>

⁴⁰ *South China Morning Post*, 24 February 2002

Sanctions List Checks

International Risk conducted a comprehensive search of relevant international sanctions lists. Our search found no records to suggest that Ng is currently registered by major global organizations as being associated with any money laundering issues, fraudulent practices or denial of certain trading privileges.

Hong Kong Searches

Directorship Searches

A directorship search at the Companies Registry in Hong Kong found that Ng is registered as a director of three live companies and two now-dormant companies, in addition to seven now-dissolved companies in Hong Kong, as follows:

<i>CR no.</i>	0317523
<i>Company Name</i>	San Kin Yip Land Properties (HK) Ltd (新建業置業地產(香港)有限公司)
<i>Company type</i>	Local Company
<i>Date of incorporation</i>	11 July 1991
<i>Company status</i>	Private
<i>Active status</i>	Live
<i>Registered office address</i>	Room 402-3, 4/F, Winning House, 10-16, Cochrane St, Central, Hong Kong
<i>Authorized capital</i>	HKD900,000
<i>Paid-up capital</i>	HKD900,000
<i>Shareholders</i>	Ng Lap Seng (吳立勝) – 300,000 shares Leong Su Sam (梁樹森) – 300,000 shares Shen Zhubang – 300,000 shares
<i>Directors</i>	Ng Lap Seng (吳立勝)

	Portugal ID: C-113440 Leong Su Sam (梁樹森) Portugal ID: 73640 Shen Zhubang HKID: K953866(3)
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<i>CR no.</i>	0494455
<i>Company Name</i>	San Kin Yip Holdings Co Ltd (新建業集團有限公司)
<i>Company type</i>	Local Company
<i>Date of incorporation</i>	20 October 1994
<i>Company status</i>	Private
<i>Active status</i>	Live
<i>Registered office address</i>	Room 1108, 11/F, Multifield Plaza, 3-7A Prat Avenue, Tsimshatsui, Kowloon.
<i>Authorized capital</i>	HKD10,000
<i>Paid-up capital</i>	HKD2
<i>Shareholders</i>	Ng Lap Seng (吳立勝) - 1 share Pun Nun Ho - 1 share
<i>Directors</i>	Ng Lap Seng (吳立勝) Macau ID: M0080638 Pun Nun Ho Macau ID: M0003728 Ng Fei Lan (吳霏蘭) HK ID: R550465(0)

<i>CR no.</i>	0815266
<i>Company Name</i>	CII (ZHAOQING) Ltd (中國基礎建設(肇慶)有限公司)
<i>Company type</i>	Local Company

<i>Date of incorporation</i>	27 June 1997
<i>Company status</i>	Private
<i>Active status</i>	Live
<i>Registered office address</i>	Rm 1108, 11/F, Multifield Plaza, 3-7A Prat Avenue, Tsimshatsui, Kowloon.
<i>Authorized capital</i>	HKD10,000
<i>Paid-up capital</i>	HKD2
<i>Shareholders</i>	CII ZHAOQING (BVI) Ltd - 1 share CII ZHAOQING (BVI) Ltd (Nominee holder) : Ng Fei Lan (吳菲蘭) - 1 share
<i>Directors</i>	Ng Lap Seng (吳立勝) Macau ID: M0080638 Ng Fei Lan (吳菲蘭) Macau ID: M0080635

<i>CR no.</i>	0355208
<i>Company Name</i>	San Chung Hing Property Investment (Hong Kong) Co Ltd (新中興地產投資發展(香港)有限公司)
<i>Company type</i>	Local Company
<i>Date of incorporation</i>	28 April 1992
<i>Company status</i>	Private
<i>Active status</i>	Commenced dormancy on 18 July 2005
<i>Registered office address</i>	Room 1108, 11/F, Multifield Plaza, 3-7A Prat Avenue, Tsimshatsui, Kowloon.
<i>Authorized capital</i>	HKD10,000
<i>Paid-up capital</i>	HKD10,000
<i>Shareholders</i>	Pun Nun Ho - 5,000 shares Cheng Cheuk Ngar - 5,000 shares
<i>Directors</i>	Ng Lap Seng (吳立勝)

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	Macau ID: M0080638 Leong Su Sam HK ID: P33328(8) Cheng Cheuk Ngar HK ID: E498160(3)
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<i>CR no.</i>	0475986
<i>Company Name</i>	Kin Yip Property Development Ltd (建築地產投資有限公司)
<i>Company type</i>	Local Company
<i>Date of incorporation</i>	26 April 1994
<i>Company status</i>	Private
<i>Active status</i>	Commenced dormancy on 18 July 2005
<i>Registered office address</i>	Room 1108, 11/F, Multifield Plaza, 3-7A Prat Avenue, Tsimshatsui, Kowloon.
<i>Authorized capital</i>	HKD10,000
<i>Paid-up capital</i>	HKD10
<i>Shareholders</i>	Longrise Development Ltd – 6 shares Pun Nun Ho – 4 shares
<i>Directors</i>	Ng Lap Seng (吳立勝) Macau ID: M0080638 Pun Nun Ho Macau ID: M0003728

<i>CR no.</i>	0521941
<i>Company Name</i>	Charter Sonic Enterprises Ltd (創聲企業有限公司)
<i>Company type</i>	Local Company
<i>Date of Incorporation</i>	1 August 1995
<i>Company status</i>	Private

<i>Active status</i>	Dissolved by Deregistration
<i>Date of Dissolution</i>	22 May 2009
<i>Registered office address</i>	Room 1108, 11/F, Multifield Plaza, 3-7A Prat Avenue, Tsimshatsui, Kowloon.
<i>Authorized capital</i>	HKD10,000
<i>Paid-up capital</i>	HKD10,000
<i>Shareholders</i>	Ng Lap Song - 4,000 shares Cen Michael - 3,000 shares Tan Xiao Huan - 3,000 shares
<i>Directors</i>	Ng Lap Seng (吳立勝) Macau ID: M0080638 Cen Michael Passport: 0203660 (place of jurisdiction was not provided) Tan Xiao Huan Dominica Passport: 103255

<i>CR no.</i>	0355020
<i>Company Name</i>	Fai Wong International Company Ltd (輝煌國際有限公司)
<i>Company type</i>	Local Company
<i>Date of incorporation</i>	28 April 1992
<i>Company status</i>	Private
<i>Active status</i>	Dissolved by Deregistration
<i>Date of Dissolution</i>	22 May 2009
<i>Registered office address</i>	Room 1108, 11/F, Multifield Plaza, 3-7A Prat Avenue, Tsimshatsui, Kowloon.
<i>Authorized capital</i>	Ordinary: HKD10,000 Deferred: HKD9,500
<i>Paid-up capital</i>	Ordinary: HKD10,000

	Deferred: HKD9,500
Shareholders	Ordinary shares: Fai Wong (Holdings) Development Ltd – 499 shares Neoland Development Ltd – 9501 shares Deferred shares: Fai Wong (Holdings) Develop Ltd – 9500 shares
Directors	Ng Lap Seng (吳立勝) Macau ID: M0080638 Pun Nun Ho Macau ID : M0003728 Neoland Development Ltd

CR no.	0399094
Company Name	San Chung Hing Exchange (HK) Ltd (新中興金融集團(香港)有限公司)
Company type	Local Company
Date of incorporation	14 April 1993
Company status	Private
Active status	Dissolved by Deregistration
Date of Dissolution	16 October 2009
Registered office address	Room 1108, 11/F, Multifield Plaza, 3-7A Prat Avenue, Tsimshatsui, Kowloon.
Authorized capital	HKD10,000
Paid-up capital	HKD4
Shareholders	Ng Lap Seng – 1 share Pun Nun Ho – 1 share Leong Su Sam – 1 share Cheng Cheuk Ngar – 1 share

Directors	Ng Lap Seng (吳立勝) Macau ID: M0080638 Pun Nun Ho Macau ID : M0003728 Cheng Cheuk Ngar HKID E498160(3) Leong Su Sam HKID: P33228(8)
CR no.	0521941
Company Name	Charter Sonic Enterprises Ltd (創聲企業有限公司)
Company type	Local Company
Date of Incorporation	1 August 1995
Company status	Private
Active status	Dissolved by Deregistration
Date of Dissolution	22 May 2009
Registered office address	Room 1108, 11/F, Multifield Plaza, 3-7A Prat Avenue, Tsimshatsui, Kowloon.
Authorized capital	HKD10,000
Paid-up capital	HKD10,000
Shareholders	Ng Lap Seng – 4,000 shares Cen Michael – 3,000 shares Tan Xiao Huan – 3,000 shares
Directors	Ng Lap Seng (吳立勝) Macau ID: M0080638 Cen Michael Passport : 0203660 (place of jurisdiction was not provided) Tan Xiao Huan Dominica Passport: 103255

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<i>CR no.</i>	0548879
<i>Company Name</i>	Win Choice International Ltd (勝才國際有限公司)
<i>Company type</i>	Local Company
<i>Date of incorporation</i>	14 May 1996
<i>Company status</i>	Private
<i>Active status</i>	Dissolved by Deregistration
<i>Date of Dissolution</i>	29 June 2007
<i>Registered office address</i>	Unit 3008, 30 th Floor, West Tower, Shun Tak Centre, 200 Connaught Road Central, Hong Kong.
<i>Authorized capital</i>	HKD10,000
<i>Paid-up capital</i>	HKD100
<i>Shareholders</i>	Yang Huizhong (楊慧中) – 60 shares Xu Xiaojian (徐小健) – 40 shares
<i>Directors</i>	Ng Lap Seng (吳立勝) Portugal Passport: E738230 Xu Xiaojian (徐小健) China Passport : P2254153 Yang Huizhong (楊慧中) HKID : P384054(2)

<i>CR no.</i>	0395857
<i>Company Name</i>	Fairay Investment Ltd (光遠投資有限公司)
<i>Company type</i>	Local Company
<i>Date of incorporation</i>	23 December 1992
<i>Company status</i>	Private
<i>Active status</i>	Dissolved by Deregistration

<i>Date of Dissolution</i>	30 April 2004
<i>Registered office address</i>	20/F, Winbase Centre, 208 Queen's Road Central, Hong Kong.
<i>Authorized capital</i>	HKD10,000
<i>Paid-up capital</i>	HKD50
<i>Shareholders</i>	Ng Lap Seng (吳立勝) - 25 shares Tse Wai Kai (謝惠琪) - 20 shares Au Yeung Kin Sang (歐陽建生) - 5 shares
<i>Directors</i>	Ng Lap Seng (吳立勝) Portugal Passport: 7/340266/3 Tse Wai Kai (謝惠琪) HKID: E023383(1) Au Yeung Kin Sang (歐陽建生) Macau Passport: 153718

<i>CR no.</i>	Q390524
<i>Company Name</i>	San Kin Yip (International) Holdings Ltd (新建業(國際)集團有限公司)
<i>Company type</i>	Local Company
<i>Date of incorporation</i>	19 November 1992
<i>Company status</i>	Private
<i>Active status</i>	Dissolved by Striking Off
<i>Date of Dissolution</i>	21 February 2003
<i>Registered office address</i>	Room 2507, West Tower, Shun Tak Centre, 200 Connaught Road Central, Hong Kong
<i>Authorized capital</i>	HKD10,000
<i>Paid-up capital</i>	HKD9,000
<i>Shareholders</i>	Ng Lap Seng - 3,000 shares

	Leong Su Sam – 3,000 shares Shen Zhubang – 3,000 shares
<i>Directors</i>	Ng Lap Seng (吳立勝) Macau Passport: C-113440 Leong Su Sam Macau Passport: 73640 Shen Zhubang HKID K953666(3)

<i>CR no.</i>	0354955
<i>Company Name</i>	Grandman Development Ltd (昌泰發展有限公司)
<i>Company type</i>	Local Company
<i>Date of incorporation</i>	28 April 1992
<i>Company status</i>	Private
<i>Active status</i>	Dissolved by Striking Off
<i>Date of Dissolution</i>	21 February 2003
<i>Registered office address</i>	Room 2507, West Tower, Shun Tak Centre, 200 Connaught Road Central, Hong Kong
<i>Authorized capital</i>	HKD10,000
<i>Paid-up capital</i>	HKD10,000
<i>Shareholders</i>	Ng Lap Seng (吳立勝) – 2,500 shares Leong Su Sam (梁樹森) – 1,250 shares Pun Nun Ho (潘暖荷) – 2,500 shares Cheng Cheuk Ngar (鄭灼雅) – 2,500 shares Shen Zhubang – 1,250 shares
<i>Directors</i>	Ng Lap Seng (吳立勝) Macau Passport: C-113440

	Pun Nun Ho Portugal Passport: C-113341 Cheng Cheuk Ngar HKID E498160(3) Leong Su Sam HK ID : P333228(8) Shen Zhubang HKID K953666(3)
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Litigation Searches

A search of available litigation records revealed that Ng has been involved in the following three legal proceedings in Hong Kong, as defendant:

Category: High Court – Writ of Summons
Action No.: HCA2858/2006
Filing Date: 28 December 2006
Plaintiff: Richtime Management Ltd
Defendant: Ng Lap Seng (吳立勝), Huang Wen Hsien (黃文賢) and E.
Card Technology Co Ltd (易卡國際科技有限公司)
Nature of Claim: Specific Performance Damages
Amount: HKD30,000,000.00

This claim is related to rescission of a Sales and Purchase Agreement ("SPA") of BVI company name Lesen Technologies Ltd, and return of SPA considerations of HKD 30 million. We note there is no record this matter progressed to trial. As such, it was likely settled out of court.

Category: High Court – Writ of Summons
Action No.: HCA2968/2002
Filing Date: 30 July 2002

Plaintiff: Kung, Nina (龔如心)
Defendant: Ng Lap Seng (吳立勝)
Nature of Claim: Money Due and owing
Amount: HKD30,000,000.00

This claim is related to an investment in a Macau company called TeleDifusão de Macau S.A. ("TDM") (澳門廣播電視有限公司) after Ng's refusal to hand over books and accounts of this company for inspection. We note there is no record this matter progressed to trial. As such, it was likely settled out of court.

Category: High Court - Writ of Summons
Action No.: HCA8044/1999
Filing Date: 17 May 1999
Plaintiff: Po Sang Bank Ltd (寶生銀行有限公司)
Defendant: Ng Lap Seng and Pun, Nun Ho
Nature of Claim: Amount Due
Amount: HKD25,314,139.02

Further searches in Hong Kong Judgement and Legal Reference databases found no indication that this matter progressed to trial. As such, it was likely settled out of court.

Our searches also found reference to a High Court case under the name "Ng Lap Seng" in the capacity as a plaintiff. Brief available details are as follows:

Category: High Court - Writ of Summons
Action No.: HCA2837/1994
Filing Date: 25 March 1994
Plaintiff: Ng, Lap Seng
Defendant: Mui, Keung Nin
Nature of Claim: Amount Due
Amount: HKD788,400.00

Without further identifiers of the above plaintiff (not found in the available record), we cannot determine if this matter involved the Subject of our investigations, or another person with the same name.

Bankruptcy Searches

Searches conducted of the Bankruptcy Court in Hong Kong did not locate any bankruptcy petition in relation to Ng in Hong Kong.

Securities and Futures Commission in Hong Kong

Search of the website of the Securities and Futures Commission ("SFC") in Hong Kong found that Ng has not been involved in any published SFC enforcement actions since January 1997.

Other searches determined that Ng is not registered with the SFC as a 'licensed person' in Hong Kong.

Macau Searches

Litigation Search

A search of available court records in Macau found no references to Ng personally being involved legal proceedings (civil or criminal) in Macau.

Company Searches

A manual search of corporate records at the Macau Commercial and Moveable Assets Registry identified Ng to be a director and shareholder of three key Macau-registered companies: (1) Hotel Fortuna Limited, (2) Victory Real Estate Development Co Ltd (which is the real estate developer company for the Windsor

Arch project) and (3) Sun Kian Ip Holding Co Ltd. (which is the parent company for all Sun Kian Ip group of companies), otherwise known in English as San Kin Yip Holding Co Ltd in which Ng is reportedly the majority shareholder and chairman.

Of particular interest is the shareholding structure of H6tel Fortuna Limited (財神酒店有限公司), as follows:

Date of Incorporation: 11 March 1993
Operating Address: Rua De Cantao, no.63, Hotel Fortuna Macau
Authorized Share Capital: MOP100,000
Business Nature: Hotel and Entertainment
Shareholders:

- 1) Tin Fok Holding Company Ltd. (天福集團有限公司) Gestao De Empresas Tin Fok, S.A.R.L., Shares: MD98,000
- 2) Fortuna Limitada, Fortune Ltd. (祈福有限公司), Shares: MOP2,000

Administrators

> Group A

1. Loi Keong Kuong (呂強光)
Gender: Male
Marital Status: married
Position: Vice-president
Address: Avenida Ouvidor Arriaga, no.46, r/c
2. Ng Lapseng (吳立勝)
Gender: Male
Marital status: married
Address: Rua de Foshan, no.51, Edifcio Centro Comercial San Kin Yip, 19o andar L-P
3. Lai Mei Lan (黎美蘭)
Gender: Female
Marital Status: married

Address: Avenida dos Jardins do Oceano, no.654, Poplar Court, 20o andar "A", Taipa

► Group B

4. Sio Tak Hong (蕭德雄)

Gender: Male

Marital Status: married

Position: President

Address: Rua de Xangai, no 175, Edifício Associacao Comercial de Macau, 10 andar B-D

We note that Sio Tak Hong (蕭德雄) is the president of Hotel Fortuna, and also Ng's closest business associate.

5. Shi Yun (石云)

Gender: Female

Marital Status: married

Address: Praca de D. Afonso Herculano, no.111

6. Pun Nun Ho (潘韻荷) (We note this is the wife of Ng Lapseng)

Gender: Female

Marital Status: married

Address: Rua de Foshan, no.51, Edifício Centro Comercial San Kin Yip, 19o andar L-P

► Group C

7. Si Tit Sang (史鐵生)

Gender: male

Marital Status: married

Position: Administrative Representative

Address: Rua de Xangai, no 175, Edifício Associacao Comercial de Macau, 10 andar B-D

8. Lao Im Ha (劉曉霞)

Gender: Female

Marital Status: married

Address: Rua de Xangai, no 175, Edificio Associacao Comercial de
Macau, 10 andar B-D

9. So Shu Fai (蘇樹輝)

Gender: Male

Marital Status: married

Address: Avenida de Lisboa, s/no, Edificio Hotel Lisboa, 2o andar

We note that So Shu Fai (蘇樹輝), who is the right-hand man of Dr. Stanley Ho and reportedly represents the interests of Dr. Stanley Ho at Hotel Fortuna.

► Others

10. Suen Yan Kwong (孫恩光)

Gender: Male

Marital Status: married

Address: Rua de Cantao, no.63, 19o andar

11. Lai Kin Hak (黎堅克)

Gender: Male

Marital Status: married

Address: Rua de Xangai, no 175, Edificio Associacao Comercial de
Macau, 10 andar B-D

US and Gaming Database Searches

Searches of the websites of the gaming control boards in Nevada and New Jersey uncovered no record of Ng on the exclusion and reject lists. Further searches of the gaming control board, gambling commission and gaming registries in Illinois, Mississippi and Louisiana, respectively, also located no record of Ng on their equivalent lists.

Searches of various checklists produced by the Victoria Commission for Gaming Regulation determined that there is no record of Ng as being involved in any disciplinary action decisions, appeals or inquiries in this Australian state. There is also no record of Ng being a major license holder according to the Queensland Office of Gaming Regulation.

US Treasury Department Searches

Searches of the list of *'Specially Designated Nationals and Blocked Individuals'* published by the US Treasury, found no reference to Ng.

US Litigation and Bankruptcy Searches

International Risk carried out comprehensive research through online database sources covering bankruptcy filings, US federal district court filings, as well as State and Municipal court filings, with a view to identifying any litigation involving Ng. Our investigative research identified no litigation or bankruptcy petitions have been filed against Ng in US.

Discreet Field Inquiries

International Risk conducted discreet inquiries with a number of sources in Macau and Hong Kong to secure information and intelligence regarding Ng.

Background

Now in his early 60s, Ng is married to Pun Nun Ho (潘暖荷), and has a son called Ng Kel Nin (吳攀年) who is listed as director and shareholder in most of the companies controlled by Ng.

Arriving in Macau in around 1979 as a poor man from Jiujiang County, Nan Hai City, (南海市九江縣), Guangdong Province, China, Ng first worked in the local garment industry as a trader, dealing in cheap garments. By the early 1990s, Ng had already become a very wealthy man in Macau, although the actual source(s) of his wealth during the early part of his life in Macau remains unclear.

Ng suffered a heart attack about 7-8 years ago. Since then, he is reported to have reduced his workload somewhat. He is said to keep a low-profile, although he sponsors many public large events such as the 2009 Macau Grand Prix through some of his controlled companies in Macau.

Reputation

A junket source advised that Ng has ownership interest in the Kam Pek Casino, which is located in the San Yin Kip Commercial Centre and, along with the president of Hotel Fortuna, has allegedly been involved in several international investigations over the years. Ng is also reported to have controlled prostitution rackets in Macau for many years.

A Macanese lawyer source advised that Ng reportedly had a joint venture in the Nam Van Lakes Development project with Dr. Stanley Ho. This was Macau's largest landfill and real estate development project, which cost in excess of USD2 billion. Subsequent inquiries conducted by the lawyer for International Risk revealed Ng's name was never listed as either director or shareholder of the company that operated this project.

A business journalist source reported that Ng is well connected with some senior People's Liberation Army generals and other Chinese Communist Party officials. This source advised that he knows for a fact that senior PLA officials frequently gamble in the Casino Fortuna VIP rooms for free and are granted carte blanche services within the Hotel Fortuna's 'Supreme Sauna', one of the top massage

parlours in Macau. The hotel also operates 30 VIP karaoke rooms, which are frequented by hotel patrons and female 'escorts', who are paid by the patrons for sexual favours.

An inside source with knowledge of the business operations of Ng advised that Ng is a very close and trusted business associate of Dr. Stanley Ho. This source described Ng as a very cunning businessman who lacks of integrity and is totally untrustworthy.

Inquiries into Triad & Organised Crime Links

A well-placed Macau government source advised that Ng, a board member and one of the shareholders in the Hotel Fortuna in Macau, is believed by Macau law enforcement to member of the Wo On Lok Triad Society (和安樂), otherwise known as 'Shui Fong' (水房), and has been the focus of several international investigations over the years. According to this source, Ng is also known to have controlled prostitution rackets in Macau for many years.

The Wo On Lok Triad Society (和安樂) is an independent sub-division of the Wo group of triads⁴¹. The colloquial name 'Shui Fong' originated from a workers' union of the now defunct Hong Kong Soft drink company, known as Connaught Aerated Water Co Ltd (安樂汽水房). Shui Fong is one of the 'Four Major Triads Groups' (四大黑幫) in Macau, together with Wo Shing Yee (和勝義), 14K and the Big Circle Gang (大圓幫) (otherwise called 'Dai Hun Bong'. Further research located the following information on 'Shui Fong' in Macau:⁴²

'Shui Fong was allegedly involved in a fight for casinos in Macau during the 1990s. They were involved in a high profile gang war with the rival triad group called the 14K led by a local prominent triad member called Wan Kuok-koi, or 'Broken Tooth Kol' (牙駒) during this period.'

⁴¹ <http://zh.wikipedia.org/wiki/%E5%92%8C%E5%8B%9D%E5%92%8C>

⁴² http://en.wikipedia.org/wiki/Wo_On_Lok

A senior Macau law enforcement source explained that it is simply not possible to state categorically whether any person is a member of a triad society unless they have been convicted of this specific offence. He said previously it was impossible for those involved in gaming not to work with the triad societies, even if one was not an actual member.

The same source noted that it is important to recognize that operating any junket business absolutely requires cooperation with, as well as the support of, triads. In this sense, Ng must have 'utilized triad leaders to do the dirty work for him', according to this source. It is difficult to say how strong the triad links are and whether Ng ever joined a triad, he added. What is in no doubt, this source reports, is that Ng maintains a very good relationship with Dr. Stanley Ho, the police and the local Shui Fong triad society. However, although this latter piece of intelligence is considered reliable, it is not (and cannot be) corroborated.

A racing industry source, with very good contacts within the Macau Jockey Club and familiar with illegal bookmaking syndicates operating in Macau, advised that Ng together with his close business associate, Mr. Sio, have long been rumoured to be involved in illegal bookmaking in Macau. This source had no concrete evidence, but said this is simply 'the word on the street'.

Discreet Visits to Ng's Hong Kong Companies

As noted in our above investigative research findings, Ng is registered as a director of three live Hong Kong-registered companies, as well as two now-dormant companies and seven now-dissolved companies in Hong Kong.

Discreet visit to Ng's three live companies (all of which are related to San Kin Yip real estate companies) located at Room 1108, 11/F, Multifield Plaza, 3-7A Prat Avenue, Tsimshatsui, Kowloon, Hong Kong, determined that Ng rarely returns to this office, which is manned by just three employees. Discreet inquiries conducted with a staff member at this office determined that the San Kin Yip group of companies only maintains a minimum operational presence in Hong Kong.

WINDSOR ARCH PROJECT

International Risk has conducted a further investigation into the Windsor Arch project, the high profile property development involving Ng In Macau, through investigative research and field inquiries as detailed below.

Investigative Research

Comprehensive media and internet research into the Windsor Arch project located many references to the project, mostly related to its advertising campaigns and legal disputes with the owners of nearby high-class residential complexes.

Overview

The Windsor Arch project is located in Taipa (氹仔), opposite the Estrada Governador Albano De Oliveira, Macau Jockey Club.

The project composites 10 high-class residential buildings; each building is 47-storays tall and there are a total of 19 'skyline villas' which will be built on the top floor of each building. When completed, it will provide approximately 1,500 units.

The project has three construction phases. The first phase includes the construction of the three main buildings with the remaining two phases planned to commence in 2010. Windsor Arch apartments should have been available for sale in early 2010, according to various media reports. The initially scheduled occupation period was in the first quarter of 2012.

The sizes of the apartments vary from 800 sq. m. to 2,500 sq. m. The selling price is estimated to be around HKD 7,000 per square feet. The developer claimed that the 'skyline villas' would be valued at over HKD 50 million per apartment and would only be sold internally.

Finance

In August 2009, it was reported that Victory Real Estate Development Co Ltd ("Victory Real Estate") (威得利企業發展股份有限公司), the property developer of the Windsor Arch project and the San Kin Yip Group, had been granted a 3-year syndicated loan of HKD 2.1 billion from seven different banks in Hong Kong and Macau, including Bank of China (Macau), ICBC (Macau), ICBC(Asia), Wing Hang Bank (永亨銀行), Tai Fung Bank (太豐銀行), BCM Bank (澳門商業銀行), and Bank of Communications (Macau). Part of the loan would be used to re-finance the project's existing short term loans. The remaining loan balance would be used to finance the development of phase one of the project⁴³.

The main construction contractor of the Windsor Arch project is the China State Construction International Holdings Ltd ("CSCI") (中國建築), a Hong Kong-listed company (HK stock code: 3311 refers). CSCI reportedly has received over HKD 3 billion worth of construction contracts from the developer of Windsor Arch to date⁴⁴.

In October 2007, it was reported that Savills had been appointed as the sole marketing consultant and principal sales agent of Windsor Arch properties. The same report also mentioned that Windsor Arch had been chosen as the permanent location for the World Federation of Chinese Entrepreneurs Organization (世界華商會館)⁴⁵.

An online business directory listed the contact details for Victory Real Estate as follows:⁴⁶

Company Name: Victory Real Estate Development Co Ltd
(威得利企業發展有限公司)

⁴³ http://www.todivmacao.com/news/2009_8_29_3.html

⁴⁴ <http://job.cohi.com/Detail.aspx?ID=16514343>

⁴⁵ <http://property.mplfinance.com/cfm/pa3.cfm?File=20071023/ent01/p21801.txt>

⁴⁶ <http://www.goHome.com.hk/property/developer.aspx?dovld=30>

Address: (澳門上海街 175 號)
Tel: 853-2878 1177
Fax: 853-2878 1506

Advertising and Sponsorship

Windsor Arch launched a massive advertising and marketing campaign in 2008, commencing with a series of road shows in London and other major European cities. It was reported that Windsor Arch had attracted over 200 potential buyers from Hong Kong, Macau, Taiwan and London.

Windsor Arch's sponsorships included:

- Title sponsor of 2008 (reportedly HKD 15 million) and 2009 Macau Grand Prix⁴⁷;
- Title Sponsor of Macao Cover Girl competition in 2009 (澳門封面女郎);
- Windsor Arch Scholarship, Student and Senior Support Foundation (名門世家獎學、助學及敬老基金) under Macau Nanhai Jiujiang Native Associations (澳門南海九江同鄉會);
- Title Sponsor of Macau Football Team KA I (加義);
- One of the Sponsors of British Premier League Team Chelsea soccer game in July 2008;
- Sponsored Hong Kong TVB Pearl show titled Britain's Best (華麗英倫) and ATV news show Inside Story (時事追擊) in July 2008⁴⁸;
- Title Sponsor of the 5th King of Pop Songs – Global Chinese Singer Awards (第五屆《勁歌王》全球華人樂壇年度總選頒獎典禮) in May 2008⁴⁹; and
- Sole Sponsor of Water Fantasy Festival (水上奇幻匯演) in May 2008.

⁴⁷ <http://www.macao.grandprix.gov.mo/app/home/pp55/en>, and
<http://www.macao.grandprix.gov.mo/app/home/pp56/zh>.

⁴⁸ <http://zh.wikipedia.org/wiki/%E5%90%8D%E9%96%80%E4%B8%96%E5%AE%B6%E6%A8%93.E9.A8.98.E7.88.AD.E8.AD.B0>.

⁴⁹ <http://hm.people.com.cn/BIG5/83174/7246746.html>.

Suspension of Windsor Arch Project

The Windsor Arch developer announced its plan to develop ten 42-storey high-class residential buildings in 2008. The owners of neighbourhood residential complexes called Vivenda Delle Rose (玫瑰山莊) and Jardins De Lisboa (葡京花園) strongly protested against the height of Windsor Arch buildings, claiming that their original views would be blocked once the Windsor Arch was completed. These owners also questioned the legitimacy of the Windsor Arch development because the Macau government had specified in 1993 that the buildings to be erected on the Windsor Arch land site could not exceed 16-storey.

The land site commenced construction in 2005 and the owners of Vivenda Delle Rose (玫瑰山莊) and Jardins De Lisboa (葡京花園) believed that some senior government officials, including the since disgraced former Secretary for Land, Public Works and Transport Bureau, Au Man Long (歐文龍), had approved the Windsor Arch buildings to be raised to a maximum of 50-storey. This was in contravention of the 'City Property Building Charter' (都市房屋建築總章程) of Macau.

The owners have since formed a protest group called 'Against Windsor Arch Exceeding Legitimate Heights' ('反對名門世家建築超越合法高度'發起組織), which has released statements about their current views on the issue at hand. This is despite the Windsor Arch developer issuing a public statement in September 2009 announcing the legitimacy of their project. This dispute will reportedly be tried in the High Court of Macau, the media report quoted⁵⁰. It has not yet been tried.

⁵⁰ "聲明", 16 September 2009, Jornal San Wa Ou; "小潭山業主反對建超高樓促政府交代", 14 September 2009, Jornal Cheng Pou; "小潭山居民質疑名門世家項目批給 指圖則一改再改違反城市規劃嚴重破壞環境", 14 September 2009, Macao Daily News; "附近樓盤堅持興建 47 層高 小潭山業主或採法律行動", 14 September 2009, Hong Kong Daily New; "[名門世家] 豪宅項目撥款廿一億元集團貸款 發展商稱符合建築規例樓高標準", 29 August 2009, Jornal Va Kio; and "賭壇大家姐發怒叫停", 18 Jun 2008, Eastweek.

Discreet Site Visits

The main companies in the San Kin Yip Group are located at San Kin Yip Commercial Centre, Rua de Foshan, No. 51, 19 Andar 'L-P', Macau. A discreet visit to this building determined that it is one of the largest business operations in the real estate business in Macau. The group is engaged in many real estate development projects, in addition to government contracted projects.

A visit was also made to the Windsor Arch project in Taipa. It was observed that the construction of the project is now 'on hold', pending a High Court decision as to whether or not the buildings are to be allowed to be constructed up to about 47-storey (although it is likely to be only 42 storeys high).

**APPENDIX A: COPY OF SIGNED PROPOSAL AND
STANDARD TERMS & CONDITIONS FOR THIS
ENGAGEMENT**

1081-00054-100



International Risk Limited
1009-18 Shui On Centre
6-8 Harbour Road
Wanchai, Hong Kong

Tel: (852) 2501 5233
Fax: (852) 2501 5237
Website: www.intl-risk.com

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3 March 2010

Las Vegas Sands Corp
3355 Las Vegas Blvd. South
Las Vegas, NV 89109, USA

For the attention of Mr Al Gonzalez, General Counsel

Dear Mr Gonzalez,

**PROPOSED INVESTIGATIVE DUE DILIGENCE SERVICES IN MACAU
AND HONG KONG**

Thank you for the opportunity to be of further service to Las Vegas Sands Corporation ("Sands"). Pursuant to your recent email correspondence, International Risk Ltd ("International Risk") has pleasure in submitting this revised proposal for your approval.

Background

The background to this proposal is based on a very limited briefing. Any inaccuracies are regraffed.

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International Risk understands that Sands is considering a potential business relationship, the nature of which has not as yet been advised to us ("the Potential Relationship"), with Ng Lapseng (吳立勝) ("Ng"). We have been provided with the following brief (unconfirmed) summary on Ng:

- He is a member of the Chinese People's Political Consultative Committee ("CPPCC");
- He is the Chairman of San Kin Yip Group;
- He has business relationships (investments) with Stanley Ho;
- Together with other low-profile investor/partners including Siu Tak Hung, Suen Yan Kwong and others, he is the owner of Fortuna Hotel;
- His latest development project is called "Windsor Arch", a residential 1,500 unit project that sits on the hillside opposite the Macau Jockey Club;
- Windsor Arch has apparently been heavily criticized by David Chow for blocking out the view for existing residents;
- We further understand that "Windsor Arch" was the title sponsor of the 2009 Macau Grand Prix as well as other government events.

Additionally, we have been provided with an excerpt of an article purportedly written in 2006, which presented the following additional background information on Ng:

...Macao hotel/casino owner Ng Lapseng frequently visited the Clinton White House with his good friend Charlie "Yah Lin" Tse, the Arkansas restaurant owner and alleged member of the 14K Triad Group. Ng reportedly stayed overnight at the White House as a guest of the Clintons.

Further proof of Ng Lapseng's association with Bill and Hillary Clinton comes in the form of photographs. There is the 1995 photo of Ng Lapseng and the Clintons taken in front of a DNC symbol. The photo of Ng Lapseng is very telling in that both Bill and Hillary Clinton were certainly aware that Ng is the owner of the Macao-based Fortuna Hotel.

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...The Fortuna hotel is more than just a casino and resort in Macao. According to the Fortuna advertisements, children under 12 can stay free at the hotel. However, according to the Fortuna brochure, for a fee beautiful young hostesses from various countries can also entertain businessmen.

Ng also has a very interesting connection to the Hughes violations of national security. According to the 123 national security violations filed against Hughes, Satellite Corporation, the Sino-Canada Telecommunications and Investment Management Company were incorporated in Macao, "having its principal place of business at the Hotel Fortuna."

According to the State Department charges, the Sino-Canada Telecommunications Company also had contracted with Hughes for a large part of the APMT satellite contract then destined for China in 1995. In fact, Sino-Canada paid Hughes \$5 million up front that was not reported to the State Department.

"Sino-Canada's managing director, Suen Yan Kwong, was the founder of Chung Kiu Telecommunication, which had invested in cellular telecommunications for use under special network by the China People's Liberation Army (PLA) in military districts along the coastal provinces," noted the December 2002 State Department charge letter.

It is amazing that a company based inside a Macao hotel owned by Ng Lapseng would contract with a U.S.-based satellite company when its owner was then also in business supplying communications to the Chinese army. Even more amazing is the Clintons' silence on Ng Lapseng and the money that somehow slipped out of his pockets and into DNC coffers at the same time.

Sands, as a highly ethical and prudent organization, is keen to ensure that there is nothing in the background or reputation of Ng which might preclude Sands from entering into the potential relationship with Ng. Furthermore, Sands is operating in a highly regulated industry with regulators in various jurisdictions. Regulators will be keenly monitoring any potential transaction and will need solid assurances that a thorough level of due diligence has been conducted.

Our Qualifications

International Risk (www.intl-risk.com), formerly the regional investigative arm of a major

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global accounting and professional services firm and now a wholly-owned subsidiary of NYSE-listed FTI Consulting Inc (www.fticonsulting.com), is the leading risk mitigation consulting and investigative organization in Asia.

International Risk provides comprehensive business risk solutions including investigative due diligence services, business intelligence, fraud and corporate investigations, brand protection and IP strategies, political and security risk assessments and crisis containment services, to the world's leading organizations. International Risk has offices strategically located in Hong Kong, Beijing, Shanghai, Guangzhou, Tokyo, Singapore, New York and San Francisco, and operates globally.

Our professionals have extensive regional experience in the delivery of timely, cost-effective risk solutions, including 'off balance sheet' investigative due diligence and integrity investigations into corporate entities and their principal officers in Asia for investment banks, private equity funds and venture capital funds. We have extensive experience in conducting discreet due diligence assignments in Macau and Hong Kong on behalf of financial institutions and multi-national corporations and have a range of on-ground resources available to assist us with this project.

International Risk has specific and deep knowledge of the gaming industry and organised crime in Asia and a number of our professionals have held senior positions in the former Royal Hong Kong Police, the Federal Bureau of Investigation, The Singapore Government Anti Corruption Body and other related agencies and who have all been involved in monitoring organised crime and aspects of gaming in the region.

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Objective

International Risk will conduct a discreet due diligence investigation into the background and reputation of Ng, primarily in Macau and Hong Kong, to identify any issues associated with his reputation or other related matters which might affect the Potential Relationship.

Proposed Methodology

Based on our experience of similar situations, the information which is currently available to us and our understanding of your requirements, we propose conducting this project as follows:

Provision of Relevant Start-up Material

Upon our engagement for this assignment, Sands will furnish to International Risk all reasonably available information on Ng (to include, as far as is possible, his full personal identifiers: date of birth, addresses, Macau / HK ID or passport numbers, copy of his business card(s), etc), together with a copy of any relevant research already undertaken on Ng or on behalf of Sands, if any.

Phase One: Investigative Research and Analysis

International Risk will review all information on Ng as provided by Sands and will independently undertake a comprehensive search of available media and other relevant on-line sources for information on the public profile of Ng, including:

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1. Chinese, English and Portuguese press reports and trade journals;
2. Business database sources, to include trade and industry sources and the Internet;
3. Relevant international sanction lists and other on-line sources that contain information related to money laundering, terrorism, fraudulent practices and denial of certain trading privileges, for example;
4. A search of World-Check, a database source that provides information on, amongst other matters, individuals who are regarded as "politically exposed people";
5. In Macau, we will conduct a search of available online Lower Court civil litigation records;
6. In Hong Kong, we will conduct a search of the Hong Kong Corporate Registry to identify any directorships in the name of Ng along with available litigation and bankruptcy records; and
7. We will conduct an online search of available litigation records in the US for any available information on Ng.

Concurrently, in Macau, we will conduct a manual search of available corporate records held with the Commercial & Moveable Assets Registry on San Kin Yip Group.

This investigative research will provide information on the public or semi-public profile of Ng and will provide pertinent lines of inquiry for our subsequent discreet field investigations.

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Phase Two: Discreet Field Inquiries in Macau and Hong Kong

Using information obtained from our investigative research, our local knowledge and our broad range of discreet contacts in Macau and Hong Kong, International Risk will undertake discreet field inquiries into the background and reputation of Ng.

Our inquiries will include discreet interviews with government and regulatory sources, current and former business associates and other sources in the gaming and hospitality industry that may be knowledgeable about Ng.

Specific issues that will be covered in respect of Ng include:

- Background and integrity of Ng;
- Reputation of Ng with key associates;
- Litigation history, as available, of Ng (if any);
- Key political connections of Ng;
- Identification of connections to organized crime (if any);
- Other issues or relationships uncovered in the course of our inquiries which may have a bearing on the Potential Relationship.

International Risk will collate and analyse all available information and will prepare a report of our findings.

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Plaintiff Ex. 1081_00061

Private & Confidential

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Phase Three: Discreet Field Inquiries in the USA and/or the PRC (Optional)

In this additional phase, if required, International Risk will undertake further investigative research and discreet on-ground field inquiries into the background, status and reputation of Ng in the USA and/or the PRC.

Fees, Expenses & Payment Arrangements

We have agreed to undertake Phases One and Two only of this engagement, as outlined above, for a discounted professional fee of US\$17,000 plus reasonable expenses, properly documented to cover the costs of database costs, local travel, communications, etc, that we would not expect to exceed 12% of the budget for our professional fees.

Professional fees for Phase Three will be mutually agreed and confirmed in writing once the exact scope of any work to be undertaken in the USA and/or the PRC is agreed. Phase Three will not be initiated until after the completion of Phases One and Two and following further discussions with Sands.

On receipt of instructions for this assignment, International Risk will receive a retainer fee in the amount of US\$8,500. This amount will be deducted from our final invoice following issuance of our report for this assignment.

All payments should be free of withholding or other taxes. Payment of our invoices is due promptly and in any case within thirty days of issue.

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Plaintiff Ex.1081_00062



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Conduct of the Investigation

As each investigation develops, new aspects or new lines of enquiry may be identified, including in additional jurisdictions, and may require further work. In such situations, we will review this information with you and will discuss its relevance to your overall objectives and determine whether any further enquiries should be undertaken. We will agree any additional budget necessary. Any budget so required will be mutually agreed in writing before commencement of such enquiry.

Reporting Milestones

We will provide brief written reports to you whenever any significant developments take place.

Our goal is to complete Phases One and Two of this discreet investigation, as outlined above, and to provide you with a written report of our findings, together with any recommendations, approximately three working weeks from commencement.

Terms and Conditions

A copy of our previously agreed terms and conditions ("business terms") for the provision of services to Sands is attached as *Appendix 1*.

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Plaintiff Ex.1081_00063

Standard Business Terms and Conditions for Engagements undertaken on behalf of Las Vegas Sands Corp.

These terms and conditions apply in respect of the Services contemplated or described in the letter of engagement to be performed by International Risk Ltd ("International Risk" or "we" or "our" or "us") for you ("Client" or "you"). The letter of engagement and these terms and conditions are together referred to as the "Contract" or the "Engagement". The Contract forms the entire agreement between us relating to the Services. It replaces and supersedes any previous proposals, correspondence understandings or other communications whether written or oral. The headings and titles in the Contract are included to make it easier to read but do not form part of the Contract.

1. Reports and Advice

1.1 **Reliance on drafts** - you acknowledge that no reliance shall be placed on draft reports, preliminary conclusions or advice, whether oral or written, issued by us as they may be subject to further work, revision and other factors which may mean that such drafts are substantially different from any final report or advice issued.

1.2 **Use and purpose of advice and reports** - any advice given or report issued by us is provided solely for your use and benefit and only in connection with the purpose in respect of which the Services are provided. Unless required by law, court order or any regulatory agency or authority to which you are subject, you shall not provide such report to any third party or refer to us or the Services without our prior written consent, which consent may not be unreasonably withheld or delayed. In no event, regardless of whether consent has been provided, shall we assume any responsibility to any third party to which any advice or report is disclosed or otherwise made available. No copy, extract or quote from it may be made available to any other party without our prior written consent as to the form and content of the disclosure. Notwithstanding the foregoing, you may share the contents of any such report with your employees, representative and legal and financial advisors who have a legitimate business reason to have access to such information.

1.3 **Intellectual property** - intellectual property rights in all pre-existing International Risk materials and methodologies utilised in the Engagement or incorporated into a report or any other material provided to the Client remain vested in International Risk.

2. Legal and Regulatory Requirements

2.1 You confirm and undertake that you have all necessary corporate powers and have obtained all material

necessary authorisations, consents and approvals to enter into and lawfully perform the Contract.

3. Information and Assistance

3.1 **Provision of information and assistance** - the success of the Services is dependent on your timely co-operation, including:

- (a) Providing the materials and information we reasonably require from time to time for the Services; and, if stated in your brief, our proposal, or our engagement letter, your staff to work with us;
- (b) Ensuring that appropriate back-up, security and virus checking procedures are in place for any computer facilities you provide, if applicable;
- (c) Making senior executives available for consultation upon reasonable request;
- (d) Providing reasonable working facilities for us; and
- (e) Making decisions promptly, in order to facilitate the performance of the Services.

3.2 **Time estimates** - estimates of time for completion of the Services are given on the assumption that we receive the co-operation and commitment from employees in your organisation or your representatives and/or advisors, to the extent applicable. If you do not provide, or delay in providing that co-operation, you agree to pay us any additional reasonable and documented consulting fees and expenses that may result from the failure to co-operate on a timely basis, after receipt of prior written notice that any such anticipated co-operation is not forthcoming.

3.3 **Punctual and accurate information** - you shall use reasonable skill, care and attention to ensure that all information that we may reasonably require is provided on a timely basis and is, to the best of your knowledge, accurate and complete. You shall also notify us if you subsequently learn that the information provided is incorrect or inaccurate or otherwise should not be relied upon.

4. Fees and Additional Services

4.1 **Fee basis** - our fees (which unless otherwise specified are in United States dollars) will be charged on the basis set out in the Letter of Engagement.

4.2 **Changes to Services** - either party may request changes to the Services. We shall work with you to consider and, if appropriate, to vary any aspect of the Engagement, subject to reasonable adjustment in the fees (which adjustment may be up or down depending on the proposed



variance to the original Engagement) to reflect the revised scope of Services and a reasonable additional period to provide any additional Services. Any variation to the Contract, including any variation to fees, services or time for performance of the Services, shall be detailed in a separate letter and shall form part of the Contract and be subject to those terms and conditions.

4.3 Payment of fees - time for payment of our fees and expenses shall be of the essence. If we do not receive payment of any invoice within 45 days of the invoice date we shall be entitled, without prejudice to any other rights that we may have, to charge a nominal rate of interest on the outstanding fees in the invoice in an amount not to exceed 3% and, after 45 days from invoice date, to suspend provision of the Services until all sums due are paid in full. If you disagree with or question any amount due under an invoice submitted by us, you must communicate such disagreement or objection to us, in writing, within 30 days of the invoice date. You will be deemed to have waived any claim not made within that period.

4.4 Your responsibility for other parties - you shall be solely responsible for the work and fees of any other party engaged by you to participate in the Engagement regardless of whether such party was introduced to you by us. Except as provided in the letter of engagement, we shall not be responsible for providing or reviewing specialist advice or services including legal, regulatory, accounting or taxation matters, due diligence or any other investigative services.

4.5 Payment of Consumption tax - all sums due in connection with the Services will be subject to the payment of consumption tax, where applicable.

5. Confidentiality

5.1 Neither International Risk nor the Client will disclose confidential information about the other without the other's prior written consent. Confidential information includes, but is not limited to, any proposal or tender document, the nature or scope of the Engagement, prospective or ongoing transactions or business dealings with the parties that are the subject of the Engagement, business and financial information, trade secrets, methodologies or documents that are not in the public domain. Exceptions to these are disclosures to legal advisers, disclosures required by law and disclosures necessary for the proper performance of the Services.

6. Termination

6.1 Either party may terminate the Contract prior to completion if the other party fails to remedy a material breach of the terms and conditions within 30 days of confirmed receipt written notice of material breach. If the contract is

terminated prior to the completion of the Contract, International Risk shall be entitled to be paid for work that has been completed or documented expenses reasonably incurred prior to the date of termination that directly relate to the work completed in accordance with the fees detailed in the Engagement subject to any agreed upper limit.

6.2 Actions following termination - upon termination of the Contract:

6.2.1 each party shall upon written request from the other return to the other all information, property and documentation of the other that is in its possession, provided that we shall be entitled to retain one copy of such documents that we require to maintain a professional record of our involvement in the Engagement;

6.2.2 you shall promptly pay upon reasonable written request all fees and expenses due in respect of the Services provided up to the date of termination as set forth in Clause 6.1.

6.3 Date of termination - for the avoidance of doubt, the date of termination shall be the date upon which any period of notice expires.

6.4 Accrued rights - termination of the Contract shall be without prejudice to any accrued rights of both parties.

6.5 Continuation of terms - the terms of the Contract which expressly or by implication are intended to survive its termination or expiry will survive and continue to bind both parties.

7. Liability Limitation

7.1 International Risk will use reasonable skill and care in the provision of the Services to the Client and shall at all times comply with applicable local laws and regulations.

7.2 To the extent permitted by applicable law, International Risk excludes all warranties, conditions or terms, other than those expressly set out in these terms and conditions including, but not limited to, all warranties, conditions or terms implied in fact or by law. Nothing in this Clause 7 has the effect of excluding, restricting or modifying any non-excludable statutory condition, warranty, guarantee, right, remedy or other benefit that is preserved for the Client by any legislative provisions.

7.3 Where International Risk is not entitled to exclude a warranty, condition or term implied in fact or by law, and to the extent permitted by applicable law, International Risk's liability for breach of any such warranty, condition or term is limited to:



(a) In the case of services, at the option of Client, either the resupply of the services or payment of the reasonable cost of having the services resupplied by another suitable replacement party; and

(b) In the case of documentary deliverables or materials, at the option of Client, either the resupply of the deliverables or materials or reasonable payment of the cost of having the deliverables or materials resupplied by another suitable replacement party.

7.4 In all instances, other than as set out in Clauses 7.2 and 7.3, the total aggregate liability of International Risk to the Client for loss or damage (including indirect and consequential loss or damage), caused by, resulting from, or in relation to the Services, including whether arising from breach of contract, negligence, or any other tort, in equity or otherwise, and whether or not International Risk was advised of the possibility of such loss or damage, is limited (to the extent permitted by law) to an amount equal to five times the fees paid by the Client to International Risk in respect of the Services.

8. Indemnity Against Third Party Liability

8.1 The Client shall indemnify and hold harmless International Risk and its employees from and against any loss, expense, damage or liabilities (or actions that may be asserted by any third party) that may result from any third party claims arising out of or in relation to the provision of the Services or any use by you of any deliverable item under this Engagement and will reimburse International Risk for all reasonable and documented costs and expenses (including reasonable and documented legal fees on a solicitor client basis for one legal counsel) incurred by International Risk in connection with defending any such action or claim, unless such claim or action arises out of any gross negligence, willful misconduct or bad faith on the part of International Risk or any of its employees.

8.2 Breach of contract/contributory negligence - You agree that if you make any claim against us for loss as a result of a breach of our Contract, and that loss is contributed to by your own actions, then liability for your loss will be apportioned as is appropriate having regard to the respective responsibility for the loss, and the amount you may recover from us will be reduced by the extent of your contribution to that loss.

9. Warranties

9.1 You accept and acknowledge that, subject to any statement made in these terms and conditions, we have not made any warranties or guarantees of any nature in respect of the Services or satisfactory conclusion of the Services or with respect to the economic, financial or other results which

you may experience as a result of the provision of the Services.

10. Governing Law and Disputes

10.1 Applicable law - This Contract shall be governed by and interpreted in accordance with the laws of Hong Kong and the Courts of Hong Kong shall have exclusive jurisdiction in relation to any claim, dispute or difference concerning the Contract and any matter arising from it. The parties irrevocably waive any right they may have to object to any action being brought in those Courts, to claim that the action has been brought to an inconvenient forum or to claim that those Courts do not have jurisdiction.

10.2 Resolving disputes - If any dispute arises between us we will attempt to resolve the dispute in good faith by senior level negotiations between the parties' appropriate senior executives. Where both of us agree that it may be beneficial after unsuccessfully attempting to resolve the dispute through senior level negotiations, we will seek to resolve the dispute first through mediation and then through arbitration. If the dispute is not resolved through negotiation, mediation or arbitration, both of us agree that the courts of Hong Kong will have exclusive jurisdiction in connection with the resolution of the dispute as detailed in Clause 10.1.

11. Miscellaneous Provisions

11.1 Validity of Contract terms - If any provision of this Contract is held to be invalid, in whole or in part, such provision shall be deemed not to form part of the Contract. In any event, the enforceability of the remainder of the Contract will not be affected, provided always that if any such deletion substantially affects or alters the commercial basis of these terms and conditions, the parties shall negotiate in good faith to amend and modify them as may be necessary or desirable in the circumstances.

11.2 Address for service - any written notice to be given to a party may be delivered in person, by letter or by facsimile transmission, to our address, clearly marked for the attention of the engagement partner, appearing in the letter of engagement in the case of notices to us, and to the address last notified by you in the case of notices to you.

11.3 Actions required by law - nothing in the Contract shall prevent us from taking any such action as may be required by law or statute or to comply with the regulations of any relevant professional body.

11.4 Force majeure - neither of us will be liable to the other for any delay or failure to fulfil obligations caused by circumstances outside our reasonable control. If such reasons continue to prevent performance of either party's duties and obligations for a period of more than 60 days, we



will consult each other for the purpose of agreeing what action should be taken.

11.5 Working for other clients - we will not be prevented or restricted by anything in the Contract from providing services for other clients, provided that we will not provide investigative services to those parties that are the target subjects during the period of the engagement. We will take steps to ensure that confidential information communicated to us during the course of this engagement will be maintained confidentially and separate from staff assigned to engagements in which there is a manifest compelling interest of another client.

11.6 Assignment - International Risk may without the consent of the Client assign or novate this Contract to a successor to the business of International Risk to which this Contract relates.

11.7 Electronic communication - we may communicate with you electronically. Electronically transmitted information cannot be guaranteed to be secure or error free and it may be adversely affected or unsafe to use. We do not accept any liability in respect of any error or omission arising from or in connection with the electronic communication of information to you. Please let us know if you do not want us to communicate electronically with you.

EXHIBIT D

1100471010112061

MARKED FOR IDENTIFICATION
PROPOSED EXHIBIT (PLTF)

474
Case No. A627691

Message

From: Gonzalez, Al [Al.Gonzalez@venetian.com]
Sent: 2/26/2010 2:52:58 AM
To: Jacobs, Steve [steve.jacobs@venetian.com.mo]
Subject: RE: Ng Lap Seng

I'll get on it. Normally takes about 2 weeks and costs between 10 & 15K USD. Do you need it sooner?

From: Jacobs, Steve [mailto:steve.jacobs@venetian.com.mo]
Sent: Thursday, February 25, 2010 2:16 PM
To: Gonzalez, Al
Subject: Fw: Ng Lap Seng

Leon's contact with Beijing and the one who delivered msg from SGA.

Need a background check.

From: Leong, Melina
To: Jacobs, Steve
Sent: Thu Feb 25 18:38:10 2010
Subject: Ng Lap Seng
Hi Steve,

You've once asked for a bit more background information on the subject gentleman (吳立勝), please find below a brief summary for your reference.

- member of China Communist Political Consultative Committee (CCPCC)
- Chairman of San Kin Yip Group (big real estate developer before the Handover)
- runs hotels, restaurants, real estate business
- closely related to Stanley Ho (in terms of investment)
- owner of Fortuna Hotel (in partnership with other low profile investors such as Sio Tak Hung, Suen Yan Kwong etc.)
- latest development project is "Windsor Arch" which is at the hillside opposite to Macau Jockey Club. This is a project of 1,500 residential units (10 blocks with 47-storey each) but heavily criticized by David Chow at Legislative Council with the reason that these buildings are blocking the views of those who are already living on the hill.
- Windsor Arch was the title sponsor of last year's Macau Grand Prix and had been sponsoring a lot in government events. The project is now moving very slowly to avoid further public confrontation.

Found an article about Mr Ng and Clinton at mewsmx.com written in 2006, you might find it interesting.

In addition, other shadowy figures appeared inside the Clinton White House. Macao hotel/casino owner Ng Lapseng frequently visited the Clinton White House with his good friend Charlie "Yah Lin" Tric, the Arkansas restaurant owner and alleged member of the 14K Triad. Ng reportedly stayed overnight at the White House as a guest of the Clintons.

Further proof of Ng Lapseng's association with Bill and Hillary Clinton comes in the form of photographs. There is the 1995 photo of Ng Lapseng and the Clintons taken in front of a DNC symbol. The photo of Ng Lapseng is very telling in that both Bill and Hillary Clinton were certainly aware that Ng is the owner of the Macao-based Fortuna Hotel.

Brothel Owner

The Fortuna hotel is more than just a casino and resort in Macao. According to the Fortuna advertisements, children under 12 can stay free at the hotel. However, according to the Fortuna brochure, for a fee beautiful young hostesses from various countries can also entertain businessmen.

Plaintiff Ex.474_00001

SJACOBS00051401

Ng also has a very interesting connection to the Hughes violations of national security. According to the 123 national security violations filed against Hughes Satellite Corporation, the Sino-Canada Telecommunications and Investment Management Company were incorporated in Macao, "having its principal place of business at the Hotel Fortuna."

According to the State Department charges, the Sino-Canada Telecommunications Company also had contracted with Hughes for a large part of the APMT satellite contract then destined for China in 1995. In fact, Sino-Canada paid Hughes \$5 million up front that was not reported to the State Department.

"Sino-Canada's managing director, Suon Yan Kwong, was the founder of Chung Kiu Telecommunication, which had invested in cellular telecommunications for use under special network by China's People's Liberation Army (PLA) in military districts along the coastal provinces," noted the December 2002 State Department charge letter.

It is amazing that a company based inside a Macao hotel owned by Ng Lapseng would contract with a U.S.-based satellite company when its owner was then also in business supplying communications to the Chinese army. Even more amazing is the Clintons' silence on Ng Lapseng and the money that somehow slipped out of his pockets and into DNC coffers at the same time.

Cheers
Melina

Melina Leong

Executive Director of Community Relations

Venetian Macau Ltd. | www.sands.com.mo | www.venetianmacao.com |

Email: melina.leong@venetian.com.mo

Tel: +853 2882 8888 | DID: +863 8118 2065 | Fax: +853 2888 3344



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EXHIBIT E

Subject: Re: Invoices June 2009 to September 2009

Date: Thursday, November 12, 2009 8:54:54 AM China Standard Time

From: Gonzalez, Al

To: Melo, Luis

CC: Jacobs, Steve

I think Steve should do that and also ask for a detailed explanation of the significant increase in their fees. I understand that what they are seeking is approx \$700K. If correct, that will require a lot of explaining given what our other firms are charging and given the FCPA.

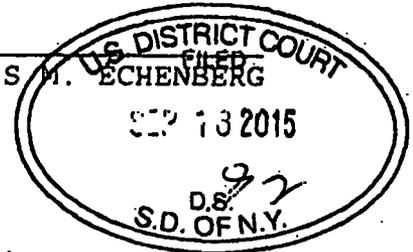
Regards, Al

11/12/09 10:54 AM

EXHIBIT F

ORIGINAL

Approved: Paul Rieffel
DANIEL C. RICHENTHAL/RAHUL MUKHI/JANIS M. ECHENBERG
Assistant United States Attorneys



Before: THE HONORABLE SARAH NETBURN
United States Magistrate Judge
Southern District of New York

15 MAG 3369

----- x
: UNITED STATES OF AMERICA :
: - v. - :
: NG LAP SENG and :
: JEFF C. YIN, :
: Defendants. :
: ----- x

SEALED COMPLAINT

Violation of
18 U.S.C. § 371

COUNTY OF OFFENSE:
NEW YORK

SOUTHERN DISTRICT OF NEW YORK, ss.:

RYAN CAREY, being duly sworn, deposes and says that he is a Special Agent with the Federal Bureau of Investigation ("FBI"), and charges as follows:

COUNT ONE

(Conspiracy to Obstruct the Function of and to Make False Statements to United States Customs and Border Protection)

1. From at least in or about January 2013, up to and including at least in or about September 2015, in the Southern District of New York and elsewhere, NG LAP SENG and JEFF C. YIN, the defendants, and others known and unknown, willfully and knowingly did combine, conspire, confederate, and agree together and with each other to defraud the United States and an agency thereof and to commit an offense against the United States.

2. It was a part and an object of the conspiracy that NG LAP SENG and JEFF C. YIN, the defendants, and others known and unknown, would and did obstruct and defraud the United States, and an agency thereof, to wit, United States Customs and Border Protection ("CBP"), by impeding, impairing, defeating, and obstructing the lawful functions of CBP in monitoring the importation of currency into the United States, in violation of Title 18, United States Code, Section

201509181503369

THE DEFENDANTS

8. From my review of documents, including emails, and my conversations with law enforcement officers and others, I have learned the following about the defendants, in substance and in part:

a. Defendant NG LAP SENG ("NG") is a Chinese national and the head of a major real estate development company based in Macau, China.

b. Defendant JEFF C. YIN ("YIN") is the principal assistant to defendant NG LAP SENG. For at least several years, YIN has assisted NG with, among other things, wiring money to the United States at the direction of NG, making travel plans to and from the United States, and arranging meetings for NG in the United States, including in New York, New York, and China. YIN serves as NG's principal interpreter when NG is in the United States, travels with him to the United States, at times speaks to CBP officials on NG's behalf as well as his own, and is generally present for meetings NG has in the United States, including in New York, New York, taking notes and handling documents, among other things. YIN is a naturalized United States citizen who was born in China, and resides in China.

9. On or about July 30, 2014, in New York, New York, I personally served NG LAP SENG, the defendant, with a federal subpoena in connection with an unrelated investigation. The subpoena required personal appearance on September 17, 2014. I know from speaking with other law enforcement agents that NG failed to appear as directed or otherwise respond to the subpoena.

THE DEFENDANTS' FALSE EXPLANATIONS FOR THEIR IMPORTATION OF CASH

11. Based on my review of documents, I have learned that, as required by 31 U.S.C. § 5316 and relevant regulations, in connection with his bringing United States currency into the United States, NG LAP SENG, the defendant, submitted written declarations upon his arrival to the United States declaring that he was bringing into the United States the United States currency identified in paragraph 10 above, and, upon request, filled out or caused others to fill out and submit a form (referred to as FinCEN Form 105), which documented his importation and ownership of the cash. Each of these declarations and forms was signed by NG, the latter under penalty of perjury.

12. Based on my review of documents, and my conversations with other law enforcement agents, I have learned that, on multiple occasions, after NG LAP SENG, the defendant, accompanied by JEFF C. YIN, the defendant, arrived in the United States and declared that he had hundreds of thousands of dollars in United States currency, he was interviewed by one or more officers with CBP regarding why he had this cash. NG, with the assistance of YIN (who at times responded to questions on NG's behalf or acted as a translator), provided different explanations at different times, all of which, there is probable cause to believe, were false. Certain of these trips are described in more detail below.

Trip One: April 18, 2014 - April 21, 2014

13. On or about April 18, 2014, NG LAP SENG and JEFF C. YIN, the defendants, arrived at John F. Kennedy International Airport in Queens, New York on a commercial flight with \$300,000 of cash. Three days later, on or about April 21, 2014, they left the United States ("Trip One").

14. Based on my review of documents, and my conversations with other law enforcement agents, I have learned that, on or about April 18, 2014, after declaring that he had \$300,000 in United States currency, NG LAP SENG, the defendant, stated, in sum, that he intended to gamble with this cash in Las Vegas, Nevada. After being questioned as to how that could be true, given that NG had landed in New York and was due to leave New York only three days later, NG changed his story. He stated that, rather than gambling in Las Vegas, he planned to purchase art and antiques in New York. When asked by CBP from whom he intended to purchase the art and antiques with this cash, NG stated

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4

that while he did not know where he would be making these purchases, his secretary, JEFF C. YIN, the defendant, who was with him, had the contacts for certain art and/or antiques dealers.

15. Based on my review of documents, and my conversations with other law enforcement agents, I have learned that NG was escorted from the aircraft to the CBP interview by a certain individual ("Individual-1"). When asked by CBP what his relationship was with Individual-1, NG stated that he did not know Individual-1 personally, and that Individual-1 was someone who worked for the airline on which NG had just flown to the United States, and who had escorted him to Customs merely as a courtesy by the airline.

16. Based on my review of documents and my conversations with other law enforcement agents, I have learned that surveillance of NG LAP SENG and JEFF C. YIN, the defendants, was performed in connection with Trip One, and, as described below, subsequent trips to the United States. During this surveillance, NG and YIN were never apart for any meaningful period of time. I have further learned the following, with respect to the surveillance performed in connection with Trip One:

a. After completing his CBP interview, during which, as noted above, NG stated, among other things, that he did not know Individual-1 personally and that Individual-1 merely was escorting him to customs on behalf of the airline, NG got into a car driven by Individual-1, registered to Individual-1.

b. On each of the nights of Trip One, NG and YIN stayed at a hotel in New York, New York.

c. Prior to Trip One, YIN communicated on multiple occasions by email with Individual-1 at Individual-1's personal email account, concerning, among other things, travel plans of NG and YIN. These e-mails reflect that NG and YIN had business dealings with Individual-1 prior to Trip One and involving more than Individual-1's relationship with the airline.

d. At no point in surveillance of NG and YIN in connection with Trip One were either NG or YIN, or anyone with them, seen purchasing art or antiques, or meeting with an art or antiques dealer.

17. Based on my training and experience, and my conversations with other law enforcement agents, I have learned that merchants,

including art and antiques dealers, are generally required by federal law to file a report with the government if an individual purchases something with more than \$10,000 in cash. I have further learned that a search of a database of such reports, as of September 2015, indicates that none has been filed identifying NG LAP SENG, the defendant, or JEFF C. YIN, the defendant, as individuals who made such cash purchases during Trip One, or, for that matter, ever.²

18. On or about April 19, 2014, NG LAP SENG, the defendant, returned to China. On or about April 21, 2014, JEFF C. YIN, the defendant, returned to China. Based on my training and experience, and my conversations with other law enforcement agents, I have learned that, as is relevant here, 31 U.S.C. § 5316 and relevant regulations require that, just as an individual must report the importation of more than \$10,000 in cash, an individual must report the exportation of more than \$10,000 in cash. I have further learned that neither NG LAP SENG, the defendant, nor JEFF C. YIN, the defendant, filed such a report upon leaving the United States after Trip One.

Trip Two: June 13, 2014 - June 16, 2014

19. On or about June 13, 2014, NG LAP SENG and JEFF C. YIN, the defendants, arrived at Teterboro Airport in New Jersey via private jet with \$390,000 of cash. Three days later, on or about June 16, 2014, they left the United States ("Trip Two").

20. Based on my review of documents, and my conversations with other law enforcement agents, I have learned that, on or about June 13, 2014, after declaring that he had nearly \$400,000 in cash, NG LAP SENG, the defendant stated, in sum, that he intended to purchase two paintings from a particular individual ("Individual-2") and also to gamble in Atlantic City, New Jersey.

² A check also indicates that no such reports have been filed with respect to the other individuals mentioned herein who at times traveled into the United States with NG LAP SENG and JEFF C. YIN, the defendants, aside from reports reflecting purchases by one of the travelling companions, most recently in 2008, for a total of approximately \$57,000.

21. Based on my review of documents and my conversations with other law enforcement agents, I have learned that surveillance of NG LAP SENG and JEFF C. YIN, the defendants, was performed in connection with Trip Two. I have further learned the following:

a. On each of the nights of Trip Two, NG and YIN stayed at a hotel in New York, New York.

b. At no point in surveillance of NG and YIN in connection with Trip Two--which surveillance included, among other times, the entire business day on Friday, June 13--were either NG or YIN, or anyone with them, seen meeting with Individual-2, looking at paintings available for purchase, purchasing paintings, or gambling.

c. The same day as their arrival in New York with nearly \$400,000 in cash in a suitcase (the "June 13 Suitcase"), NG, accompanied by YIN, brought the June 13 Suitcase to a meeting in Queens, New York with Business Associate-1, to whom they had directed that funds be provided in the recent past, including via check.

d. The following day, NG and YIN met again with Business Associate-1 in New York, New York.

e. At no time on Trip Two were NG or YIN surveilled travelling to Atlantic City, where NG had told CBP he intended to gamble with a portion of the \$400,000 in cash he was bringing in to the United States.

22. A search of the database for cash purchases in excess of \$10,000, as described in paragraph 19 above, reflects that no reports were filed identifying NG LAP SENG, the defendant, JEFF C. YIN, the defendant, or Individual-2 as individuals who made such cash purchases during Trip Two (or at any point).

23. Based on my training and experience, and my conversations with other law enforcement agents, I have further learned that, as is relevant here, casinos are required by federal law to file a report with the government if an individual engages in a transaction involving more than \$10,000 in cash in a gaming day (as recorded in its accounting records), irrespective of whether the transaction involves (i) providing cash to the casino, including purchasing chips, paying for a line of credit, betting, exchanging one currency for another, or (ii) receiving cash from the casino, including winning

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money through a wager or cashing in chips. I have further learned that a search of a database of such reports, as of September 2015, indicates that none has been filed identifying NG LAP SENG, the defendant, or JEFF C. YIN, the defendant, as individuals who did so during Trip Two (or at any point since in or about 2007).³

24. Neither NG LAP SENG, the defendant, nor JEFF C. YIN, the defendant, filed a report declaring that they were exporting cash upon leaving the United States on or about June 16, 2014, three days after they arrived.

Trip Three: July 5, 2015 - July 11, 2015

25. On about July 5, 2015, NG LAP SENG and JEFF C. YIN, the defendants, accompanied by an individual known to be a business associate of NG and YIN ("Business Associate-2"), arrived in the United States with \$900,000 in United States currency. On or about three days later, NG left the United States, and on or about six days later, on July 11, 2015, YIN, accompanied by Business Associate-2, left the United States ("Trip Three").

26. Based on my review of documents, and my conversations with other law enforcement agents, I have learned that or about July 5, 2015, after landing by private jet in Anchorage, Alaska and declaring that he had \$900,000 in cash, NG LAP SENG, the defendant, stated, in sum, through JEFF C. YIN, the defendant, who served as NG's interpreter, that NG was importing the cash because was traveling to Las Vegas to win back \$2 million he had previously lost while gambling.

27. Based on my review of documents and my conversations with other law enforcement agents, I have learned that surveillance of NG LAP SENG and JEFF C. YIN, the defendants, was performed in connection with Trip Three. I have further learned the following:

a. Subsequent to their July 5, 2015 arrival in the United States with \$900,000 in cash, which NG stated was for gambling, NG and YIN stayed for one night at a certain casino hotel (the "Casino") in Las Vegas, Nevada. NG gambled at Casino, using a line of credit,

³ A check also indicates that no such reports have been filed with respect to the other individuals mentioned herein.

not cash. The line of credit NG used was funded by a \$386,000 wire from a bank account in China to a bank account of the Casino in the United States. Based on my review of documents, I have learned that, other than a few thousand dollars, when NG gambled at the Casino in the past, he also did so using a line of credit, not cash.⁴

b. On each of the remaining nights of Trip Three, NG, YIN, and Business Associate-2 stayed at a hotel in New York, New York.

c. After their arrival in New York during Trip Three, on or about July 7, 2015, YIN met, in New York, New York, with Business Associate-1 and, among other things, exchanged documents. NG and Business Associate-2 were sitting at an adjacent table during this meeting. Later the same morning, NG, Individual-1, and Business Associate-1 met.

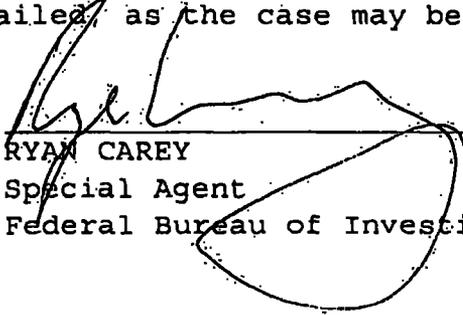
28. A search of the database for reports of cash in or out of a casino in excess of \$10,000 indicates that none has been filed identifying NG LAP SENG, the defendant, JEFF C. YIN, the defendant, or the Business Associate as individuals who did so during Trip Three (or at any point since in or about 2007).

29. Based on my review of documents, and my conversations with other law enforcement agents, I have learned that, on or about July 11, 2015, JEFF C. YIN, the defendant, accompanied by Business Associate-2, arrived at John F. Kennedy International Airport to take a flight from New York to China, returning home less than a week after their arrival. During a search, CBP discovered that Business Associate-2 had \$100,000 in cash in his carry-on, which he had not declared, contrary to federal law. YIN and Business Associate-2 were then interviewed by United States authorities prior to departure. Business Associate-2 stated, in sum, that the cash was leftover cash, which had been used to pay for a renovation to a house in the United States. YIN stated that NG LAP SENG, the defendant, was paying for the renovation, and that the leftover cash belonged to NG. As noted above, when NG and YIN had arrived together in the United States less

⁴ Based on my review of documents, I have learned that the wire that NG LAP SENG, the defendant, caused to be sent to the Casino was not the only wire he has sent or caused to be sent to the United States. On the contrary, since in or about 2010, NG has wired more than \$19 million to bank accounts of entities and/or individuals in the United States.

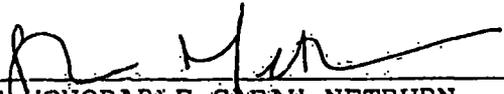
on Long Island owned by Business Associate-2, and then to a hotel in New York, New York, where they are staying.

WHEREFORE, deponent respectfully requests that warrants be issued for the arrest of NG LAP SENG and JEFF C. YIN, the defendants, and that they be imprisoned or bailed as the case may be.



RYAN CAREY
Special Agent
Federal Bureau of Investigation

Sworn to before me this
18th day of September, 2015



THE HONORABLE SARAH NETBURN
UNITED STATES MAGISTRATE JUDGE
SOUTHERN DISTRICT OF NEW YORK

Ng," a/k/a "David Ng Lap Seng," JEFF C. YIN, a/k/a "Yin Chuan," and SHIWEI YAN, a/k/a "Sheri Yan," the defendants, and others known and unknown, would and did corruptly give, offer, and agree to give a thing of value to a person, with the intent to influence and reward an agent of an organization, in connection with a business, transaction, and series of transactions of such organization, involving a thing of value of \$5,000 and more, while such organization was in receipt of, in a one year period, benefits in excess of \$10,000 under a Federal program involving a grant, contract, subsidy, loan, guarantee, insurance, and other form of Federal assistance, in violation of Title 18, United States Code, Section 666(a)(2), to wit, LORENZO, NG, YIN, YAN, and others agreed to pay and to facilitate the payment of bribes to an individual serving as the Permanent Representative to the United Nations ("UN") for Antigua and Barbuda ("Antigua"), and later also serving as President of the UN General Assembly, in exchange for official actions on behalf of multiple businessmen.

Overt Acts

3. In furtherance of the conspiracy and to effect the illegal object thereof, the following overt acts, among others, were committed and caused to be committed in the Southern District of New York and elsewhere:

a. On or about February 24, 2012, FRANCIS LORENZO, a/k/a "Frank Lorenzo," NG LAP SENG, a/k/a "David Ng," a/k/a

"David Ng Lap Seng," and JEFF C. YIN, a/k/a "Yin Chuan," caused the Permanent Representative to the UN for Antigua to introduce a document at the UN in support of a real estate project to be developed by NG's company.

b. On or about July 25, 2012, SHIWEI YAN, a/k/a "Sheri Yan," the defendant, arranged for a \$300,000 wire on behalf of a co-conspirator not named as a defendant herein ("CC-1") to a bank account in New York, New York belonging to the Permanent Representative to the UN for Antigua, in exchange for the Permanent Representative advocating for CC-1's business interests with Antiguan and other government officials.

c. On or about November 4, 2013, YAN arranged for a \$200,000 wire on behalf of another co-conspirator not named as a defendant herein ("CC-2") to a bank account belonging to the President of the UN General Assembly, in exchange for the President attending a private conference in China in his official capacity.

d. On or about June 3, 2014, NG, LORENZO, and YIN arranged for a \$200,000 wire payment to a bank account belonging to the President of the UN General Assembly, in exchange for the President making a visit to NG in the President's official capacity in order to discuss progress on the real estate project to be developed by NG's company.

(Title 18, United States Code, Section 371.)

COUNT TWO

(Bribery)

The Grand Jury further charges:

4. From at least in or about Spring 2011, up to and including in or about December 2014, in the Southern District of New York and elsewhere, FRANCIS LORENZO, a/k/a "Frank Lorenzo," NG LAP SENG, a/k/a "David Ng," a/k/a "David Ng Lap Seng," and JEFF C. YIN, a/k/a "Yin Chuan," the defendants, corruptly gave, offered, and agreed to give a thing of value to a person, with the intent to influence and reward an agent of an organization, in connection with a business, transaction, and series of transactions of such organization, involving a thing of value of \$5,000 and more, while such organization was in receipt of, in any one year period, benefits in excess of \$10,000 under a Federal program involving a grant, contract, subsidy, loan, guarantee, insurance, and other form of Federal assistance, to wit, LORENZO, NG, and YIN facilitated and arranged for the payment of bribes to an individual serving as the Permanent Representative to the United Nations for Antigua, and later also serving as President of the UN General Assembly, in exchange for official actions to benefit NG, including NG's interests in business opportunities in Antigua and in developing a conference center in Macau, China.

(Title 18, United States Code, Sections 666(a)(2) and 2.)

COUNT THREE

(Bribery)

The Grand Jury further charges:

5. At least in or about Summer 2012, in the Southern District of New York and elsewhere, SHIWEI YAN, a/k/a "Sheri Yan," the defendant, corruptly gave, offered, and agreed to give a thing of value to a person, with the intent to influence and reward an agent of an organization, in connection with a business, transaction, and series of transactions of such organization, involving a thing of value of \$5,000 and more, while such organization was in receipt of, in any one year period, benefits in excess of \$10,000 under a Federal program involving a grant, contract, subsidy, loan, guarantee, insurance, and other form of Federal assistance, to wit, YAN facilitated and arranged for the payment of bribes to an individual serving as the Permanent Representative to the United Nations for Antigua, in exchange for official action to benefit CC-1, including CC-1's interest in business opportunities in Antigua.

(Title 18, United States Code, Sections 666(a)(2) and 2.)

COUNT FOUR

(Bribery)

The Grand Jury further charges:

6. At least in or about Fall 2013, in the Southern District of New York and elsewhere, SHIWEI YAN, a/k/a "Sheri

Yan," the defendant, corruptly gave, offered, and agreed to give a thing of value to a person, with the intent to influence and reward an agent of an organization, in connection with a business, transaction, and series of transactions of such organization, involving a thing of value of \$5,000 and more, while such organization was in receipt of, in any one year period, benefits in excess of \$10,000 under a Federal program involving a grant, contract, subsidy, loan, guarantee, insurance, and other form of Federal assistance, to wit, YAN facilitated and arranged for the payment of bribes to an individual serving as the Permanent Representative to the United Nations for Antigua and as President of the UN General Assembly, in exchange for official action to benefit CC-2, including CC-2's interest in business opportunities in Antigua.

(Title 18, United States Code, Sections 666(a)(2) and 2.)

COUNT FIVE

(Bribery)

The Grand Jury further charges:

7. From at least in or about Fall 2013, up to and including at least in or about Spring 2014, in the Southern District of New York and elsewhere, SHIWEI YAN, a/k/a "Sheri Yan," the defendant, corruptly gave, offered, and agreed to give a thing of value to a person, with the intent to influence and reward an agent of an organization, in connection with a

business, transaction, and series of transactions of such organization, involving a thing of value of \$5,000 and more, while such organization was in receipt of, in any one year period, benefits in excess of \$10,000 under a Federal program involving a grant, contract, subsidy, loan, guarantee, insurance, and other form of federal assistance, to wit, YAN facilitated and arranged for the payment of bribes to an individual serving as the Permanent Representative to the United Nations for Antigua and also serving as President of the UN General Assembly, in exchange for official action to benefit a co-conspirator not named as a defendant herein ("CC-3"), including the President attending in his official capacity a private conference in China sponsored by CC-3.

(Title 18, United States Code, Sections 666(a)(2) and 2.)

COUNT SIX

(Conspiracy to Commit Money Laundering)

The Grand Jury further charges:

8. From at least in or about Spring 2011, up to and including at least in or about December 2014, in the Southern District of New York and elsewhere, FRANCIS LORENZO, a/k/a "Frank Lorenzo," NG LAP SENG, a/k/a "David Ng," a/k/a "David Ng Lap Seng," JEFF C. YIN, a/k/a "Yin Chuan," and SHIWEI YAN, a/k/a "Sheri Yan," the defendants, and others known and unknown, willfully and knowingly did combine, conspire, confederate, and

agree together and with each other to violate Title 18, United States Code, Section 1956(a)(2)(A).

9. It was a part and an object of the conspiracy that FRANCIS LORENZO, a/k/a "Frank Lorenzo," NG LAP SENG, a/k/a "David Ng," a/k/a "David Ng Lap Seng," JEFF C. YIN, a/k/a "Yin Chuan," and SHIWEI YAN, a/k/a "Sheri Yan," the defendants, and others known and unknown, would and did knowingly transport, transmit, and transfer, and attempt to transport, transmit, and transfer, a monetary instrument and funds from a place in the United States to and through a place outside of the United States and to a place in the United States from and through a place outside of the United States, with the intent to promote the carrying on of specified unlawful activity, to wit, the bribery of a United Nations official and the bribery of a foreign official, in violation of Title 18, United States Code, Section 1956(a)(2)(A), to wit, LORENZO, NG, YIN, YAN and others agreed to transmit payments from China to the United States to effect the bribery of, among others, (i) an individual serving as the Permanent Representative to the United Nations for Antigua, and later also serving as President of the UN General Assembly, and (ii) the then-Prime Minister of Antigua.

(Title 18, United States Code, Section 1956(h).)

COUNT SEVEN

(Money Laundering)

The Grand Jury further charges:

10. From at least in or about Spring 2011, up to and including at least in or about December 2014, in the Southern District of New York and elsewhere, FRANCIS LORENZO, a/k/a "Frank Lorenzo," NG LAP SENG, a/k/a "David Ng," a/k/a "David Ng Lap Seng," and JEFF C. YIN, a/k/a "Yin Chuan," the defendants, knowingly transported, transmitted, and transferred, and attempted to transport, transmit, and transfer, a monetary instrument and funds from a place in the United States to and through a place outside of the United States and to a place in the United States from and through a place outside of the United States, with the intent to promote the carrying on of specified unlawful activity, to wit, the bribery of a United Nations official and the bribery of a foreign official, to wit, LORENZO, NG, and YIN transmitted and facilitated the transmission of payments from China to the United States to effect the bribery of, among others, (i) an individual serving as the Permanent Representative to the United Nations for Antigua, and later also serving as President of the UN General Assembly, and (ii) the then-Prime Minister of Antigua.

(Title 18, United States Code, Sections 1956(a)(2)(A) and 2.)

COUNT EIGHT

(Money Laundering)

The Grand Jury further charges:

11. From at least in or about Summer 2012, up to and including at least in or about Spring 2014, in the Southern District of New York and elsewhere, SHIWEI YAN, a/k/a "Sheri Yan," the defendant, knowingly transported, transmitted, and transferred, and attempted to transport, transmit, and transfer, a monetary instrument and funds from a place in the United States to and through a place outside of the United States and to a place in the United States from and through a place outside of the United States, with the intent to promote the carrying on of specified unlawful activity, to wit, the bribery of a United Nations official and the bribery of a foreign official, to wit, YAN transmitted and facilitated the transmission of payments from China to the United States to effect the bribery of, among others, (i) an individual serving as the Permanent Representative to the United Nations for Antigua, and later also serving as President of the UN General Assembly, and (ii) the then-Prime Minister of Antigua.

(Title 18, United States Code, Sections 1956(a)(2)(A) and 2.)

COUNTS NINE AND TEN

(Subscribing to False and Fraudulent U.S. Individual Income Tax Returns)

The Grand Jury further charges:

12. On or about the dates identified below, in the Southern District and elsewhere, JOHN W. ASHE, the defendant, willfully and knowingly, made and subscribed to U.S. Individual Income Tax Returns, Forms 1040, for the tax years set forth below, which returns contained and were verified by the written declaration of ASHE that they were made under penalties of perjury, and which returns ASHE did not believe to be true and correct as to every material matter, to wit, ASHE fraudulently omitted a total of more than \$1.2 million of income from his tax returns, including bribes received and the purported salary ASHE paid himself as President of the UN General Assembly, thereby substantially understating his total income as set forth below for the years set forth below:

Count	Approximate Filing Date	Tax Year	Approximate Income Omitted
Nine	April 15, 2014	2013	\$462,350.00
Ten	April 15, 2015	2014	\$796,329.28

(Title 26, United States Code, Section 7206(1), and Title 18, United States Code, Section 2.)

FORFEITURE ALLEGATIONS

13. As a result of committing the offenses alleged in Counts One through Five of this Indictment, FRANCIS LORENZO, a/k/a "Frank

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EXHIBIT H

2. It was a part and an object of the conspiracy that FRANCIS LORENZO, NG LAP SENG, a/k/a "David Ng" ("NG"), JEFF C. YIN, a/k/a "Yin Chuan," SHIWEI YAN, a/k/a "Sheri Yan," and HEIDI HONG PIAO, a/k/a "Heidi Park," the defendants, and others known and unknown, would and did corruptly give, offer, and agree to give a thing of value to a person, with the intent to influence and reward an agent of an organization, in connection with a business, transaction, and series of transactions of such organization, involving a thing of value of \$5,000 and more, while such organization was in receipt of, in a one year period, benefits in excess of \$10,000 under a Federal program involving a grant, contract, subsidy, loan, guarantee, insurance, and other form of federal assistance, in violation of Title 18, United States Code, Section 666(a)(2), to wit, LORENZO, NG, YIN, YAN, and PIAO agreed to pay and to facilitate the payment of bribes to an individual serving as President of the United Nations General Assembly and the Permanent Representative to the United Nations ("UN") for Antigua and Barbuda ("Antigua"), in exchange for official actions on behalf of businessmen.

Overt Acts

3. In furtherance of the conspiracy and to effect the illegal object thereof, the following overt acts, among others, were committed and caused to be committed in the Southern District of New York and elsewhere:

a. On or about February 24, 2012, defendants FRANCIS LORENZO, NG LAP SENG, a/k/a "David Ng," and JEFF C. YIN, a/k/a "Yin Chuan," caused the Permanent Representative to the UN for Antigua, in exchange for payments, to introduce a document at the UN in support of a real estate project being developed by NG.

b. On or about June 3, 2014, NG, LORENZO, and YIN arranged for a \$200,000 wire payment to a private bank account belonging to the President of the UN General Assembly in exchange for the President making a foreign visit to NG in his official capacity in order to discuss progress on the real estate project being developed by NG.

c. On or about July 25, 2012, YAN and PIAO arranged for a \$300,000 wire from a co-conspirator not named as a defendant herein ("CC-1") to a private bank account belonging to the Permanent Representative to the UN for Antigua in exchange for advocating for CC-1's business interests with Antigua government officials.

d. On or about November 4, 2013, YAN and PIAO arranged for a \$200,000 wire to a bank account belonging to the President of

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the UN General Assembly from another co-conspirator not named as a defendant herein in exchange for the President attending a private conference in his official capacity.

(Title 18, United States Code; Section 371.)

COUNT TWO

(Payment of Bribes)

4. From at least in or about 2011, up to and including in or about December 2014, in the Southern District of New York and elsewhere, FRANCIS LORENZO, NG LAP SENG, a/k/a "David Ng," JEFF C. YIN, a/k/a "Yin Chuan," SHIWEI YAN, a/k/a "Sheri Yan," and HEIDI HONG PIAO, a/k/a "Heidi Park," the defendants, corruptly gave, offered, and agreed to give a thing of value to a person, with the intent to influence and reward an agent of an organization, in connection with a business, transaction, and series of transactions of such organization, involving a thing of value of \$5,000 and more, while such organization was in receipt of, in any one year period, benefits in excess of \$10,000 under a Federal program involving a grant, contract, subsidy, loan, guarantee, insurance, and other form of federal assistance, to wit, LORENZO, NG, YIN, YAN, and PIAO, facilitated and arranged for the payment of bribes to an individual serving as the President of the United Nations General Assembly and the Permanent Representative to the United Nations for Antigua in exchange for official actions on behalf of businessmen.

(Title 18, United States Code, Sections 666(a)(2) and 2.)

COUNT THREE

(Conspiracy to Commit Transportation Money Laundering)

5. From at least in or about 2011, up to and including in or about December 2014, in the Southern District of New York and elsewhere, SHIWEI YAN, a/k/a "Sheri Yan," and HEIDI HONG PIAO, a/k/a "Heidi Park," the defendants, and others known and unknown, willfully and knowingly did combine, conspire, confederate, and agree together and with each other to violate Title 18, United States Code, Section 1956(a)(2)(A).

6. It was a part and an object of the conspiracy that SHIWEI YAN, a/k/a "Sheri Yan," and HEIDI HONG PIAO, a/k/a "Heidi Park," the defendants, and others known and unknown, would and did knowingly transport, transmit, and transfer, and attempt to transport,

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9. This affidavit is based in part upon my own observations, my conversations with other law enforcement agents and others, my review of email correspondence,¹ my analysis of bank of records, my examination of documents and reports by others, my interviews of witnesses, and my training and experience. Because this affidavit is being submitted for the limited purpose of establishing probable cause, it does not include all the facts that I have learned during the course of the investigation. Where the contents of documents and the actions, statements and conversations of others are reported herein, they are reported in substance and in part, except where specifically indicated otherwise.

OVERVIEW

10. As set forth in greater detail below, this case involves businesspeople paying bribes to defendant JOHN W. ASHE, at the time when he served as the United Nations Ambassador for Antigua and Barbuda and as the 68th President of the United Nations General Assembly. These bribes were facilitated by, among others, defendants FRANCIS LORENZO, NG LAP SENG, a/k/a "David Ng," JEFF C. YIN, a/k/a "Yin Chuan," SHIWEI YAN, a/k/a "Sheri Yan," and HEIDI HONG PIAO, a/k/a "Heidi Park," who arranged for the transmission and laundering of over \$1 million of bribery money from sources in China. In exchange for the bribes, ASHE agreed to and did perform official actions for businessmen who were seeking benefits from the UN and the government of Antigua and Barbuda. Among other things, ASHE accepted over \$500,000 of bribes facilitated by LORENZO and YIN from NG, who was seeking to build a multi-billion dollar, UN-sponsored conference center in Macau, China (the "UN Macau Conference Center"). In exchange for these payments from NG, among other actions, ASHE submitted a UN document to the UN Secretary General, which claimed that there was a purported need to build the UN Macau Conference Center. In addition, ASHE received over \$800,000 in bribes from various Chinese businessmen arranged through YAN and PIAO and, in return for these bribes, ASHE supported these businessmen's interests within the United Nations and with senior Antiguan government officials, including the country's then-Prime Minister (the "Prime Minister"), with whom ASHE shared a portion of the bribe payments.

¹ The emails cited herein were obtained pursuant to search warrants of the personal Yahoo, Gmail, and AOL email accounts for defendants JOHN W. ASHE, FRANCIS LORENZO, JEFF C. YIN, a/k/a "Yin Chuan," SHIWEI YAN, a/k/a "Sheri Yan," and HEIDI HONG PIAO, a/k/a "Heidi Park."

11. To funnel and help conceal the bribes to defendant JOHN W. ASHE, defendants NG LAP SENG, a/k/a "David Ng," JEFF C. YIN, a/k/a "Yin Chuan," SHIWEI YAN, a/k/a "Sheri Yan," and HEIDI HONG PIAO, a/k/a "Heidi Park," along with others, used non-governmental organizations ("NGOs") in the United States, which were purportedly established to promote the UN's mission and/or development goals.

12. During the course of the scheme, defendant JOHN W. ASHE solicited and received bribes in various forms, including payments to third-parties to cover ASHE's personal expenses, such as a family vacation and construction of a basketball court at his house in Dobbs Ferry, New York. ASHE also solicited a portion of his bribes to be paid to two business bank accounts that ASHE opened at two major American banks, in the name "John Ashe dba John Ashe PGA 68," and "Office of the President of the General Assembly PGA 68 Operating Account," for the purported purpose of raising money for his UN General Assembly Presidency ("PGA Account-1" and "PGA Account-2," together, the "PGA Accounts"). ASHE was the sole signatory on both of the PGA Accounts. From in or about 2012, up to and including at least in or about 2014, ASHE received over \$3 million in the PGA Accounts from both foreign governments and individuals. During the same time period, ASHE withdrew more than \$1,000,000 from the PGA Accounts and transferred the money to his and his wife's personal bank accounts. ASHE also used money transferred from the PGA Accounts to pay for his personal expenses, such as paying the mortgage on his house in Dobbs Ferry, paying his BMW lease payments, and buying luxury items such as Rolex watches. The majority of the funds that ASHE withdrew from the PGA Accounts were in the form of checks made out to ASHE that ASHE signed himself, and had "salary" listed in the check memo line. During the same period of time, ASHE failed to report sufficient income to the Internal Revenue Service ("IRS") to account for the self-described salary and other funds he withdrew from the PGA Accounts. In total, ASHE underreported his income to the IRS by more than \$1.2 million dollars in tax years 2013 and 2014 alone.

RELEVANT INDIVIDUALS AND ENTITIES

JOHN W. ASHE

13. From in or about 1989, up to and including in or about December 2014, JOHN W. ASHE, the defendant, served in various positions at the Permanent Mission of Antigua to the UN, which is located in New York, New York.² Beginning in or about May 2004, ASHE

² ASHE no longer serves as a diplomat representing Antigua or any

served as the Permanent Representative of Antigua to the UN. During all times relevant to this Complaint, ASHE has been a lawful permanent resident ("LPR") of the United States and has maintained a house in Dobbs Ferry, New York, which is located in Westchester County. Based on my review of ASHE's immigration file, I have also learned that when ASHE applied to become an LPR, in or about October 2000, ASHE waived in writing his assertion of any immunity that would otherwise accrue to him based on his occupational status as a diplomat.

14. I know from witness interviews and my review of publicly available sources that on or about June 13, 2013, JOHN W. ASHE, the defendant, was elected as the 68th President of the UN General Assembly ("UNGA") for a one-year term beginning in or about September 2013 and ending in or about September 2014. The UNGA is comprised of all 193 UN Member States, which elect a rotating President from one of the Member States on an annual basis. Among other things, the UNGA President presides over the current UNGA session and represents the UNGA at various international economic and cultural forums.

15. I know from publicly available records that during each of the years relevant to this Complaint, the United States Government provided the UN with federal funds in excess of \$10,000.

FRANCIS LORENZO, NG LAP SENG, a/k/a "David Ng," and JEFF C. YIN, a/k/a "Yin Chuan"

16. From in or about 2004, up to and including the present, defendant FRANCIS LORENZO has been the Deputy Permanent Representative to the United Nations for the Dominican Republic. Based on my review of immigration records, I learned that LORENZO

other country. I understand from my discussions with the United States Department of State that, at most, ASHE enjoys residual official act immunity based on his former status as a diplomat from Antigua from in or about February 2000 to in or about December 2014 and as President of the United Nations General Assembly from in or about September 2013 to in or about October 2014. ASHE's service in these positions provides immunity only for conduct within the scope of his official positions, which must be affirmatively asserted in any judicial proceeding, to the extent he is permitted to do so notwithstanding an immunity waiver he executed in connection with becoming a U.S. legal permanent resident in or about October 2000. Official act immunity does not provide protection from arrest and does not cover conduct outside the scope of one's official position, such as the filing of false personal U.S. tax returns.

immigrated to the United States from the Dominican Republic in or about 1985. In or about 1991, LORENZO became a naturalized United States citizen. I understand from the United States Department of State that, like defendant JOHN W. ASHE, LORENZO enjoys official act immunity, which must be asserted affirmatively and provides for immunity from criminal prosecution only for official acts taken in connection with LORENZO's diplomatic position.

17. In addition to being the Deputy Permanent Representative to the United Nations for the Dominican Republic, investigation to date has revealed that, since in or about 2009, defendant FRANCIS LORENZO has also received funds from and served as an agent for defendant NG LAP SENG, a/k/a "David Ng," a Chinese national and the head of a major real estate development company based in Macau (the "Macau Real Estate Development Company"). In or about 2009, NG founded a particular NGO ("NGO-1") based in New York, New York, and made LORENZO the "Honorary President." Since that time, NG has regularly paid LORENZO a \$20,000 monthly salary and has also sent additional payments to a company in the Dominican Republic for which LORENZO's sibling serves as the general manager. According to its website, NGO-1 is purportedly a "21st century media platform" whose mission is to advance the implementation of the UN's Millennium Development Goals. The NGO-1 website posts and links to content, largely from external sources, relating to the UN, development, and other topics. I know based on my review of documents that NG has funded NGO-1 since its creation, and has wired or caused to be wired more than \$12 million from Macau to bank accounts of NGO-1 in New York, New York.

18. Defendant JEFF C. YIN, a/k/a "Yin Chuan," is the principal assistant to defendant NG LAP SENG, a/k/a "David Ng," and also has used the title of Assistant to the General Manager of NGO-1. YIN is a naturalized United States citizen who was originally born in China, and resides in China. For at least several years, YIN has assisted NG with, among other things, communicating on his behalf, wiring money to the United States, making travel plans to and from the United States, and arranging meetings for NG in the United States. YIN serves as NG's principal interpreter when NG is in the United States, travels with him to the United States, and is generally present for meetings NG has in the United States, taking notes and handling documents, among other things.

19. Based on my review of documents and my conversations with other law enforcement agents, I know that defendant JEFF C. YIN, a/k/a "Yin Chuan," has frequently traveled to the United States with defendant NG LAP SENG, a/k/a "David Ng," with large amounts of cash.

For example, on or about March 6, 2014, YIN and NG arrived at John F. Kennedy International Airport ("JFK") with \$300,000 in cash. Approximately five weeks later, on or about April 18, 2014, YIN and NG arrived at JFK with \$300,000 in cash. Approximately two months later, on or about June 13, 2014, YIN and NG arrived at Teterboro Airport in New Jersey with \$390,000 in cash. More recently, on or about July 5, 2015, YIN and NG arrived by private plane in Anchorage, Alaska with \$900,000 in cash. Two days later, YIN and NG flew on to New York City. On or about the following day, YIN and NG met with defendant FRANCIS LORENZO met at a hotel in New York, New York. Most recently, on or about September 16, 2015, YIN and NG arrived by private plane in Anchorage, Alaska with \$500,000 in cash. They then flew on to New York.³

SHIWEI YAN, a/k/a "Sheri Yan," and HEIDI HONG PIAO, a/k/a "Heidi Park"

20. Defendants SHIWEI YAN, a/k/a "Sheri Yan," and HEIDI HONG PIAO, a/k/a "Heidi Park," are naturalized United States citizens who were born in China and who reside principally in China. Based on my review of documents, I know that YAN and PIAO are associated with several businessmen in China. YAN is also the Chief Executive Officer of an NGO ("NGO-2"), previously based in Washington, D.C., now based in New York, New York, and PIAO is NGO-2's Finance Director. NGO-2 is purportedly an organization created to promote global and sustainable economic development. In August 2013, YAN and PIAO began paying defendant JOHN W. ASHE approximately \$20,000 a month in connection with his serving as the "Honorary Chairman" of NGO-2.

³ Based on my participation in the arrests, I know that NG LAP SENG, a/k/a "David Ng," and JEFF C. YIN, a/k/a "Yin Chuan," the defendants, were arrested on or about September 19, 2015, and charged in Complaint 15 Mag. 3369 with conspiracy to make false statements and to defraud the United States arising from their travels to the United States with large amounts of cash and explanations provided to authorities regarding that cash.

THE BRIBERY SCHEME

**ASHE RECEIVES PAYMENTS ARRANGED BY LORENZO IN EXCHANGE FOR OFFICIAL
ACTIONS ON BEHALF OF NG**

**NG and LORENZO Make Payments to ASHE In Return For ASHE Promoting
NG's Business Dealings With The Government of Antigua**

21. As described in more detail below, in or about the Spring of 2011, NG LAP SENG, a/k/a "David Ng," and FRANCIS LORENZO, the defendants, began making payments to JOHN W. ASHE, the defendant, and ASHE's wife in return for, among other things, ASHE using his official position to obtain for NG potentially lucrative investments in Antigua.

22. Based on my review of emails and other documents, I have learned that in or about the Spring of 2011, defendant FRANCIS LORENZO asked defendant JOHN W. ASHE to travel to China to meet with defendant NG LAP SENG, a/k/a "David Ng," about potential investment opportunities for NG in Antigua. After initially declining LORENZO's invitation, when it did not appear that ASHE would be compensated for taking the meeting, ASHE agreed to make the trip after LORENZO informed ASHE that NGO-1, which was at least in substantial part funded by NG, would pay for ASHE and ASHE's family to take an unrelated family vacation to New Orleans, Louisiana. On or about April 4, 2011, after ASHE agreed to fly to China to meet NG, ASHE emailed LORENZO a travel itinerary for ASHE, his wife, and two children, which included first-class plane tickets from New York to New Orleans and a hotel reservation for \$850.00 per night. LORENZO later emailed ASHE that NGO-1 would pay for the trip through ASHE's travel agent.

23. Based on my review of emails and travel records, I know that after defendant FRANCIS LORENZO told defendant JOHN W. ASHE that NGO-1 would pay for ASHE's family vacation to New Orleans, ASHE traveled to Hong Kong and Macau between April 17 and 20, 2011. According to a post-trip report sent to LORENZO by another NGO-1 employee, during the trip, ASHE and others met with "private sector" individuals in Macau, which is where defendant NG LAP SENG, a/k/a "David Ng," was based. On April 20, 2011, ASHE emailed LORENZO from the Hong Kong airport as ASHE was about to board his flight home and told LORENZO, "Thanks again to you and Ng for everything." Shortly after arriving in New York from his meeting with NG in Macau, ASHE and his family left for the family vacation to New Orleans for which LORENZO agreed to pay.

24. On April 26, 2011, less than a week after defendant JOHN W. ASHE returned from Macau -- and the day after he returned from the family vacation to New Orleans -- ASHE emailed defendant FRANCIS LORENZO and offered to set up a meeting between defendant NG LAP SENG, a/k/a "David Ng," and a particular Antiguan government minister ("Antiguan Minister-1"). Specifically, ASHE emailed LORENZO that "[d]uring the visit to Macao/Hong Kong it just occurred to me that it would be good idea if [Antiguan Minister-1] could visit and meet Ng, [a second Chinese businessman] and possibly [a third Chinese businessman]. Let me know what you think and if there's a date in early June you would want me to suggest to the Minister."

25. Based on my review of emails and travel records, I know that following defendant JOHN W. ASHE's trip to Hong Kong and Macau to meet with defendant NG LAP SENG, a/k/a "David Ng" (and the vacation to New Orleans which he demanded in return), ASHE traveled to Antigua between April 26, 2011 and April 29, 2011. On or about April 30, 2011, after ASHE returned from Antigua, ASHE emailed defendant FRANCIS LORENZO to inform him that ASHE had arranged for the then-Antiguan Prime Minister to meet with NG and others about "concrete investment opportunities, including the immediate acquisition of hotel properties." In the same email, ASHE told LORENZO that ASHE was expecting to spend \$30,000 in connection with the upcoming construction of a private basketball court at ASHE's house in Dobbs Ferry, in Westchester County, New York, commenting "[l]et's discuss on Monday."

26. Based on my review of emails and travel documents, I know that on or about June 20, 2011, defendant FRANCIS LORENZO and two other NGO-1 employees made a trip to Antigua, which was arranged by defendant JOHN W. ASHE. E-mails reflect that during his trip to Antigua, LORENZO met with the Prime Minister. Following the trip, ASHE sent an email to LORENZO about LORENZO's discussion with the Prime Minister concerning the Prime Minister's travel to New York in September 2011, nominally to attend an award ceremony to be hosted by NGO-1.

27. During the same period of time that defendant JOHN W. ASHE agreed to arrange meetings between defendant NG LAP SENG, a/k/a "David Ng," and defendant FRANCIS LORENZO and the Prime Minister, ASHE continued to solicit payments from LORENZO in connection with the construction of the private basketball court on ASHE's property. For example, on September 9, 2011, ASHE emailed LORENZO that his family had "obtained final approval from our Village's Planning Board to proceed with the construction of the basketball court" and that ASHE would keep LORENZO informed about the estimated construction cost

from the contractor. On October 18, 2011, ASHE emailed LORENZO the contractor's proposal for the basketball court, which included a \$20,000 down payment due to the contractor. ASHE told LORENZO that ASHE would be grateful if LORENZO "could make [arrangements] for a check in the amount be mailed directly to [the contractor] (at the address given at the top of the proposal) prior to [LORENZO's] departure to [Hong Kong]."

28. In addition to soliciting payments for his family vacation and basketball court installation, in or about May 2011, defendant JOHN W. ASHE arranged through defendant FRANCIS LORENZO to begin paying ASHE's wife as a purported "consultant" for NGO-1. On May 19, 2011, ASHE sent LORENZO an email stating "here's the banking information for the consultant option we decided on" followed by bank account information for an account belonging to ASHE's wife. I know from my review bank records, that between January 2011 and at least December 2014, NGO-1 paid ASHE's wife \$2,500 per month. According to tax filings made by ASHE and ASHE's wife, ASHE's wife claims to work as a "climate change consultant" for NGO-1, although based on my review of NGO-1's documents and emails I have been unable to determine what actual work, if any, ASHE's wife has actually done for NGO-1. In fact, based on my review of emails, I know that LORENZO and other NGO-1 employees regularly emailed ASHE himself, and not ASHE's wife, when the monthly \$2,500 check to ASHE's wife was ready to be picked up at NGO-1's offices in New York, New York.

29. At the same time that defendant JOHN W. ASHE and his wife were receiving payments and gifts from NGO-1, ASHE arranged for the Prime Minister to meet with defendant NG LAP SENG, a/k/a "David Ng," in New York. Based on my review of emails and travel records, at the request of ASHE, NGO-1 paid for first-class airline tickets for the Prime Minister and six other Antiguan officials to fly to New York during the week of September 2011, when both NGO-1's "award ceremony" and the annual UNGA meeting was taking place.⁴ Based on my review of travel records and other documents, I know that the Prime Minister traveled to New York between September 18, 2011 and September 25, 2011 and NGO-1 paid for the airfare for the Prime Minister and his delegation as well as their hotel rooms in New York. Based on my review of travel records, I also know that NG arrived in New York on or about September 18, 2011. On September 20, 2011, ASHE emailed defendant FRANCIS LORENZO that "[t]he PM has confirmed his availability for

⁴ ASHE also requested that NGO-1 pay for the Prime Minister to travel to other cities within in the United States during the week following the UNGA meeting in 2011.

the proposed meeting with the investor on Thursday [September 22, 2011]."

NG and LORENZO Continue Payments to ASHE and His Wife In Exchange
For an Official UN Document From ASHE in Support of NG's Macau
Conference Center

30. As described below, beginning in or about September 2011, following payments to defendant JOHN W. ASHE from the NGO funded by defendant NG LAP SENG, a/k/a "David Ng," and arranged through defendant FRANCIS LORENZO, for ASHE's official action in promoting NG's business interests in Antigua, NG and LORENZO arranged for additional payments to ASHE so that ASHE would use his position representing a member state at the United Nations to cause the UN to promote a conference center in Macau being developed by NG.

31. Based on my review of e-mails and other documents, I know that since at least 2010, defendant NG LAP SENG, a/k/a "David Ng," and the Macau Real Estate Company have been encouraging the development of an expansive conference facility in Macau, which they have touted as "The Permanent International Conference Center for the United Nations South-South Cooperation." According to a brochure for the UN Macau Conference Center, the multi-billion dollar center is proposed to house, among other things, a "Global Business Incubator," which "will serve as a facilitator to governments and the private sector to build the capacity of South-South countries to leverage innovation and creativity in achieving the Millennium Development Goals."

32. I know based on my review of emails and other documents that in the months following September 2011 defendant JOHN W. ASHE began advocating for the development of the UN Macau Conference Center of defendant NG LAP SENG, a/k/a "David Ng." Based on my review of emails, I know that on November 11, 2011, a "development consultant" for NGO-1 (the "NGO-1 Development Consultant") drafted a letter purportedly addressed from the Antiguan Prime Minister (the "November 2011 Letter"), which highlighted the supposed importance of developing a Global Business Incubator such as the one anticipated to be housed by NG's UN Macau Conference Center. The NGO-1 Development Consultant emailed the November 2011 Letter to ASHE for his approval and copied defendant FRANCIS LORENZO. After receiving the November 2011 Letter, ASHE gave his approval for the November 2011 Letter and told the NGO-1 Development Consultant that NGO-1 was authorized to sign the letter on behalf of the Prime Minister.

33. Approximately one month after authorizing the November 2011 Letter in support of the Global Business Incubator being developed by defendant NG LAP SENG, a/k/a "David Ng," defendant JOHN W. ASHE solicited additional payments from NG through defendant FRANCIS LORENZO. Specifically, on or about December 19, 2011, ASHE emailed LORENZO and another employee of NGO-1 (the "NGO-1 Employee") to request that NG begin contributing funds to ASHE's anticipated UNGA Presidency. In the email, ASHE told LORENZO and the NGO-1 Employee, in sum and substance, that ASHE had recently received the endorsement of the UN Group of Latin American and Caribbean States, which he believed meant that his election as the UNGA President in June 2013, some 18 months later, was virtually guaranteed. ASHE further stated that NG had indicated when they met in China that NG would "assist" ASHE in "whatever way necessary" to make ASHE's Presidency a "success." ASHE then stated he was faced with the "daunting task" of raising sufficient funds to "ensure that my tenure as PGA is a successful one" and that "[a]gainst this backdrop, Ng's promise to assist is indeed very welcome and absolutely essential." ASHE attached to the email a document outlining his official powers as the expected UNGA President and ASHE's goal of soliciting more than \$3,000,000 for his Presidency. ASHE asked LORENZO and the NGO-1 Employee to pass on the proposal to NG.

34. I know from my review of emails that on February 9, 2012, defendant FRANCIS LORENZO emailed defendant JOHN W. ASHE to propose that they meet the next day. Later that same night, the NGO-1 Development Consultant emailed LORENZO a draft document to be submitted by ASHE to the UN Secretary General claiming that Antigua and other countries had recently launched a Global Business Incubator such as the one proposed to be housed by defendant NG LAP SENG, a/k/a "David Ng's" UN Macau Conference Center (the "Draft UN Document"). On February 15, 2012, the NGO-1 Development Consultant sent LORENZO an updated version of the Draft UN Document, which LORENZO then forwarded to ASHE. Three minutes after sending ASHE the Draft UN Document, LORENZO sent ASHE an email stating, "John remember to send your driver tomorrow afternoon to pick up the check." Bank records reflect that on February 15, 2012, NGO-1 wrote a \$2,500 check to ASHE's wife that was then deposited into ASHE and his wife's joint bank account on February 16, 2012.

35. I know from my review of emails that, between February 15, 2012 and February 23, 2012, defendants JOHN W. ASHE and FRANCIS LORENZO and the NGO-1 Development Consultant exchanged several revisions and comments to the Draft UN Document, which, in sum and substance, promoted the launching of a Global Business Incubator, identical to

the one defendant NG LAP SENG, a/k/a "David Ng," was seeking to be housed by the UN Macau Conference Center.

36. On February 24, 2012, after defendant JOHN W. ASHE and his wife had received approximately \$38,000 in cash payments from NGO-1, and had solicited other things of value such as a family vacation and the private basketball court described above, ASHE introduced a UN document in support of the Global Business Incubator, which was substantially identical to the Draft UN Document sent to ASHE by defendant FRANCIS LORENZO. Specifically, on February 24, 2012, ASHE signed UN Document Number A/66748 (the "Official UN Document"), a letter from ASHE to the UN Secretary General concerning the Global Business Incubator. In the Official UN Document, ASHE stated that the Antiguan Prime Minister and other heads of state had decided to launch a Global Business Incubator at a meeting hosted by NGO-1 on September 23, 2011. The Official UN Document claimed that there was "a need for a Global Business Incubator, to harness the potential of small businesses through ICT [information and communications technologies] and through greater access to global markets. . . . The Global Business Incubator will serve as a facilitator for Governments and the private sector in building the capacity of developing countries to leverage innovation and creativity in achieving the [UN] Millennium Development Goals." After submitting the Official UN Document, ASHE emailed a copy to LORENZO and stated, "As agreed, the request has been submitted." On March 26, 2012, after the Official UN Document had been processed and assigned a formal document number, ASHE emailed a copy of the Official UN Document with the document number to LORENZO and said, "The final product."

37. After defendant JOHN W. ASHE sent the Official UN Document in support of the UN Macau Conference Center to the UN Secretary General, defendant FRANCIS LORENZO, NGO-1, and defendant NG LAP SENG, a/k/a "David Ng," used the document to promote the building of the UN Macau Conference Center. For example, March 20, 2012, LORENZO forwarded the Official UN Document to the Secretary General of the International Telecommunication Union, which is a specialized agency of the UN dedicated to information and communication technologies. On April 18, 2012, LORENZO forwarded the Official UN Document again, this time to an executive at UN Habitat. And on October 23, 2012, LORENZO forward the Official UN Document to an investment banking firm based in Hong Kong. In each of these instances, LORENZO used the existence of the Official UN Document to imply that the conference center NG was seeking to develop was likely to be supported in some fashion by the United Nations.

LORENZO and YIN Arrange for Additional Payments From NG to ASHE and His Wife To Obtain Additional Official UN Support for NG's UN Macau Conference Center

38. As described in more detail below, between in or about January 2013 and through defendant JOHN W. ASHE's UNGA Presidency, which ended in or about September 2014, defendants NG LAP SENG, a/k/a "David Ng," JEFF C. YIN, a/k/a "Yin Chuan," and FRANCIS LORENZO arranged for hundreds of thousands of dollars in additional payments to ASHE so that ASHE would continue to push for UN support for NG's Macau Conference Center.

39. I know from my review of emails that, after defendant FRANCIS LORENZO successfully arranged for defendant JOHN W. ASHE to submit the Official UN Document in support of the UN Macau Conference Center in or about February 2012, defendants NG LAP SENG, a/k/a "David Ng," and JEFF C. YIN, a/k/a "Yin Chuan," later became impatient with the pace of LORENZO's continued progress towards the development of the UN Macau Conference Center. For example:

a. On January 5, 2013, YIN emailed LORENZO with the subject line "From Ng." YIN said that NG had instructed YIN to write LORENZO and that NG wanted to meet with LORENZO in New York the following week. YIN added that NG's "top priority right now" was the UN Macau Conference Center and that NG wanted LORENZO to prepare a brochure for the UN Macau Conference Center that included the "UN's approval document."

b. On January 29, 2013, after LORENZO's meeting with NG in New York earlier that month, YIN sent LORENZO another email with the subject line "Urgent Matter." YIN told LORENZO, "The urgent matter as of now is that Mr. Ng has given you a deadline to complete the task of obtaining approval for the Convention Center project." YIN added that "your 30k for month of jan will be wired tomorrow, along with Feb, so that makes it 60 to be received." LORENZO replied "Jeff I started working on it and I am waiting for the transfer to speed the process."⁵

⁵ I know from my review of bank records and emails, that beginning in or around this time LORENZO began receiving monthly wire transfers from NGO-1 of \$30,000 per month to a company based in the Dominican Republic for which LORENZO's sibling serves as the general manager. These payments were in addition to the approximately \$20,000 per month that LORENZO received from NGO-1 as his salary as President of NGO-1.

c. On June 1, 2013, YIN emailed LORENZO and told LORENZO that NG wanted to meet with him the next afternoon. YIN told LORENZO that one of the topics to be discussed with NG was a "project update."

40. Following these repeated demands from defendants JEFF C. YIN, a/k/a "Yin Chuan," and NG LAP SENG, a/k/a "David Ng," that progress be made on the UN Macau Conference Center, defendant FRANCIS LORENZO arranged for defendant JOHN W. ASHE to approve a revised Official UN Document (the "Revised Official UN Document"), which specifically promoted NG's Macau Real Estate Company as the developer for the proposed Global Business Incubator. Specifically, I have learned the following from my review of emails and other documents:

a. On May 23, 2013, LORENZO emailed ASHE a draft of the Revised Official UN Document, which was substantially similar to the original Official UN Document, except that, in addition to promoting the Global Business Incubator, ASHE's letter to the UN Secretary General added a paragraph that stated, "I am pleased to inform you that in response to the recommendation [for a Global Business Incubator], [the Macau Real Estate Company] of China has welcomed the initiative and will serve as the representative for the implementation of the permanent Expo and meeting Center for the country of the south [sic]. This is one of the first centres in the network of incubator centres in a public-private partnership with the support of and leading partner [NGO-1]." In his email to ASHE, LORENZO told ASHE that, "[a]fter speaking with [a particular UN official ('UN Official-1')] in reference to the paragraph that need to be inserted in the letter he said that the letter will be the same the only thing that they will do is put Rev.1 and add the paragraph. He said that it will be easy this way."

b. On June 5, 2013, after emailing the document to ASHE, LORENZO emailed the draft Revised Official UN Document to UN Official-1 and added in the body of the email: "As per our conversation enclose [sic] see the letter that I sent you before so you can advise me if it is ready." UN Official-1 emailed LORENZO back the next morning and told him that the document would be issued by Monday, June 10, 2013.

c. On Monday, June 10, 2013, another UN employee emailed LORENZO and ASHE the final Revised Official UN Document. The Revised Official UN Document was substantially similar to the draft version sent by LORENZO to ASHE as described above. Specifically, the Revised Official UN Document was a letter from ASHE to the Secretary General promoting the development of a center built by NG's Macau Real Estate

Company to host a Global Business Incubator. The Revised Official UN Document had the same UN document number as the original Official UN Document but contained a footnote claiming that the document was supposedly reissued for "technical reasons."

d. I know from my review of bank records that between on or about January 1, 2013 and the date that ASHE's Revised Official UN Document was issued, ASHE and his wife received approximately \$100,000 from NGO-1. In addition to ASHE's wife monthly \$2,500 payment, on February 15, 2013, NGO-1 wrote a \$25,000 check to ASHE directly. Moreover, beginning in or about April 2013, ASHE started receiving \$10,000 a month from another NGO related to NGO-1 for which LORENZO is also the President ("NGO-3").

41. After defendants JOHN W. ASHE and FRANCIS LORENZO arranged for the Revised Official UN Document in support of defendant NG LAP SENG, a/k/a "David Ng's" UN Macau Conference Center, NG and defendant JEFF C. YIN, a/k/a "Yin Chuan," continued to demand that further progress be made towards the development of the project. For example, I know from my review of emails the following:

a. On July 22, 2013, YIN emailed LORENZO and told LORENZO that NG wanted a "[p]rogression report for the Expo/Meeting Center" as soon as possible. On July 25, 2013, LORENZO emailed YIN that "[i]n reference to the Center I am waiting for you to send me the proposal so I can move forward with the [NGO-1] Unit and UN HABITAT I have met with them already and they are waiting to see the proposal with the financing."

b. On August 29, 2013, YIN emailed LORENZO and told LORENZO that NG would be in New York the next day to discuss with LORENZO the update on the "Expo/Meeting center."

c. On November 19, 2013, YIN sent LORENZO another email demanding that progress be reported on the UN Macau Conference Center because NG was "extremely un-satisfied with the progression." YIN further told LORENZO that unless progress was made, "[t]he wire will be on halt."

42. Following these continued demands by defendants JEFF C. YIN, a/k/a "Yin Chuan," and NG LAP SENG, a/k/a "David Ng," that defendant FRANCIS LORENZO show progress on the development Macau Conference Center, LORENZO arranged for defendant JOHN W. ASHE to travel to Macau with other UN officials to meet with NG in exchange

somewhere between \$100 K and \$250K to be deposited in the following account: [information for PGA Account-2]." As described above, and set forth in detail below, even though ASHE claimed that the funds he was requesting from NG in order to travel to Macau were not for his personal use, the PGA Accounts were set up by ASHE personally and he transferred almost \$1,000,000 from the PGA Accounts to his other personal bank accounts.

e. On or about March 20, 2014, YIN sent an email to an email account that appeared to belong to a travel company based in Hong Kong. YIN's email stated, among other things, "My guests are from the United Nations," and then listed four individuals, including ASHE, LORENZO, ASHE's Chef de Cabinet, and ASHE's Special Assistant.

f. I know from my review of travel records, that ASHE, ASHE's Chef de Cabinet, and ASHE's Special Assistant flew to Hong Kong on or about March 22, 2014 and flew back to New York on or about March 23, 2014, which is consistent with the agenda contained in the "Special Invitation" from NG's Macau Real Estate Company and NGO-1 to ASHE.

g. In April 2014, shortly after ASHE and LORENZO's meeting with NG in Macau, NG set up a non-profit Delaware corporation (the "Delaware Corporation") with NG as its Chairman and LORENZO as its President. According to documents I have reviewed, the Delaware Corporation is purportedly "a nonprofit organization that was launched during the sixty-sixth session of the General Assembly, in response to the [Revised Official UN Document]. [The Delaware Corporation] has been appointed to serve as the representative for the implementation of the permanent expo center. It is one of the first centres in the network of incubator centres in public-private partnership, with the support of leading partner [NGO-1]."

h. On or about May 22, 2014, approximately two months after ASHE's visit to meet NG in Macau, LORENZO emailed YIN the following: "Jeff[,] see the bank account of the PGA [President of General Assembly] office. Try to send that wire as soon possible and when you send it let me know so I can advise him. There are a lot of things that need to be done here. He want to know when Ng will come here[.] I am working to get the things we need[.]" Following the text of the email, LORENZO listed the bank account information for ASHE's PGA Account-2. On June 2, 2014, ASHE forwarded the information for PGA Account-2 to LORENZO again.

various Chinese businessmen seeking to obtain lucrative investments and government contracts in Antigua and elsewhere.

YAN and PIAO Facilitate a \$300,000 Bribe to ASHE On Behalf Of a Chinese Media Executive

45. Shortly after JOHN W. ASHE, the defendant, met with defendants SHIWEI YAN, a/k/a "Sheri Yan," and HEIDI HONG PIAO, a/k/a "Heidi Park" in Hong Kong in April 2012, YAN and PIAO facilitated a \$300,000 payment to ASHE on behalf of a co-conspirator not charged herein ("CC-1"), a Chinese media executive seeking to invest in Antigua and potentially to obtain Antigua citizenship for himself or others. Specifically, I have learned the following based on my review of emails, bank records, and other documents:

a. On or about May 29, 2012, YAN emailed ASHE to report that "I think we have secured USD3M," to which ASHE responded "[in] view of the new and positive developments, I look forward to meeting with you in New York or somewhere else if that is possible."

b. On or about July 17, 2012, ASHE met with YAN and PIAO in New York. The next day, ASHE emailed YAN and PIAO the account information for PGA Account-1 and stated "please find below the related info for the matter we discussed yesterday to get the ball rolling." ASHE added that "this will be the account for the PGA funding as well." YAN emailed ASHE back, "Great! Thanks!" and PIAO emailed ASHE, "I shall get to work on it right away."

c. On July 23, 2012, YAN sent the following email to ASHE, copying PIAO: "Dear John, a quick note to let you know that I will send first \$300,000 to the account this week. Sheri." The next day, on July 24, 2012, PIAO sent an email to ASHE, with a copy to YAN, stating the following: "Just got the notice that the \$300,000 will be in your account by tomorrow, please check to receive. This 300,000 is from [CC-1], 10% of 3M just to show his goodwill." In response ASHE wrote "Will inform the bank. Thanks for the efforts."

d. On or about July 25, 2012, PGA Account-1 received a \$300,000 wire from a particular individual ("Individual-1") who is an American citizen based in the United States and is a business associate of YAN and PIAO; who YAN and PIAO have repeatedly asked to wire money on their behalf at times relevant to this Complaint. Following receipt of the wire, ASHE wrote to YAN and PIAO: "I wish to confirm receipt of the first tranche of funds in the amount of \$300,000."

e. The next day, on July 26, 2012, ASHE sent an email to YAN and PIAO telling them, in sum and substance, that ASHE would travel to Antigua to advocate for CC-1's business interests with Antiguan government now that CC-1 had paid \$300,000. In particular, ASHE stated the following to YAN and PIAO, in relevant part:

. . . .

This bring [sic] me then to [CC-1] and more importantly this initial contribution of \$300,000. As I recall from our discussions, these funds were intended as a show of "good faith" by him re. his interest in developing a base/hub in Antigua and Barbuda AND (equally important) enable me to demonstrate to my interlocutors that he is indeed serious. To be totally upfront then, the funds in question will allow me to "start the conversation" (my exact words when we last met) when I visit Antigua in the next week or so.

. . . .

After our discussions last week, and given the long lead time it takes to get things moving - even in a small country such as my own - I had already alerted my interlocutors in Antigua to anticipate [CC-1]'s "show-of-good faith." It was against this backdrop that my visit to Antigua was planned.

f. On August 4, 2012, ASHE emailed YAN and PIAO that he would be traveling to Antigua in the coming days. ASHE told YAN and PIAO that he was traveling to Antigua in order "to begin the 'conversation' on [CC-1's] initiative with the folks down there. As you can see it is a very short visit, the sole purpose of which is to get my superiors to focus on the this [sic] important initiative and to lay the groundwork for [CC-1's] future meeting with the decision makers on my side. Most - if not all - of the initial contribution you have forward to account will be used on this trip so any additional contribution(s) to the account before Thursday would be most welcomed."

g. Three days later, on or about August 7, 2012, ASHE sent an email to YAN and PIAO stating, in relevant part:

I am trying to . . . opening a direct channel to the top decisionmaker, the Prime Minister (with whom I will be meeting, one-on-one when I arrive in Antigua on Thursday). The plan is to sell [the Prime Minister] on the initiative AND arrange for him to meet with [CC-1] (and co.), either here in NY in September, when he (the PM) comes up for the UN General next month, to be followed by a visit by [CC-1] (and co) to Antigua in early October. This way, the PM will determine whether or not he needs to involve other levels of government and at what time.

. . . .

. . . . As an aside, my brother heads the Financial Services Regulatory Commission (FSRC), which is the independent authority responsible for approving the establishment of offshore banks (a goal of [CC-1], you may recall) and the Minister of Finance is a high school classmate of mine. The point here is that, after [CC-1] meets the Prime Minister and he subsequently travels to Antigua, he will be able to meet all the folks who matter.

h. ASHE traveled to Antigua between on or about August 9, 2012 and August 11, 2012. On the same day that ASHE returned from Antigua he emailed YAN and PIAO the following, in relevant part:

Madam S/Madam H,

Just returned from Antigua about 90 mins ago and thought I better pen this while it is fresh in mind.

Although I was only in Antigua for 48 hrs I did managed [sic] to meet with all the key decision makers to discuss [CC-1]'s plans; that I had the initial resources in hand as proof of his intentions (and which have now been fully utilized), certainly served the intended purpose of focusing minds and getting the conversation started. Ends result: I have been given the green light to fully engage [CC-1] and to mutually agree on a way forward. . . .

PIAO replied to ASHE's email: "Thank you for the wonderful news, only you can bring this matter up to the highest level within such a short time. Sheri met with [CC-1] earlier today, and gave him a briefing, he was very pleased to hear the good news."

46. From my review of bank records for PGA Account-1, I know that defendant JOHN W. ASHE disbursed the bulk of \$300,000 payment from CC-1 discussed above as follows:

a. ASHE sent \$100,000 to the Prime Minister, in a series of five \$20,000 checks

b. ASHE sent approximately \$13,000 to the political party of the Prime Minister.

c. ASHE paid approximately \$40,000 to a BMW dealership in Manhattan, where ASHE signed a lease for 2013 BMX model X5.

d. ASHE paid approximately \$35,000 to a credit card company used by him and his wife. ASHE used the money to pay off balances that he and his wife had accumulated from charges for purchases such as online shopping, restaurants, massages, video games, sporting goods, and his wife's personal travel.

e. ASHE transferred \$20,000 to his joint bank account with his wife and withdrew another \$13,500 in cash.

YAN and PIAO Begin Monthly Payments to ASHE After He Is Elected UNGA President

47. Based on my review of emails and other documents, I know that after defendant JOHN W. ASHE was elected UNGA President in June 2013, defendants SHIWEI YAN, a/k/a "Sheri Yan," and HEIDI HONG PIAO, a/k/a "Heidi Park," began making monthly payments of approximately \$20,000 to ASHE under the guise of being the "Honorary Chairman" of NGO-2 with which ASHE had no prior involvement or knowledge. Specifically, I have learned the following from my review of emails, bank records, and other documents:

a. On or about August 2, 2013, ASHE, YAN, and PIAO arranged to have dinner at a restaurant in New York, New York. Later that same night, ASHE sent YAN and PIAO two emails, one titled "PGA Banking Info" and the other titled "Personal Banking Info," which respectively contained the account information for ASHE's PGA Account-2 and one of his personal bank accounts jointly held with his wife. In response to ASHE's personal bank account information, PIAO replied to ASHE and YAN, "Will get on it right away."

b. On Saturday, August 3, 2013, PIAO sent another reply to ASHE and YAN to ASHE's email with his personal bank account information stating, "It is done. Waiting to score."

c. On or about August 5, 2013, ASHE's joint bank account with his wife received a wire of \$19,975 from a company associated with YAN and PIAO. ASHE replied on Monday morning, August 5, 2013, "Wish to confirm receipt of US \$19,975.00 today to my personal bank account and to thank you profusely for delivering on your promise re. the same. Grateful if you could provide me with a bit of info on the body on which I have been designated to serve as Honorary Chairman." PIAO replied "Glad that we finally are able to implement our good will, this is just a start :)," and told ASHE that they would provide him with the information about the organization for which he would be "Honorary Chairman." Following the initial payment to ASHE in August 2013, YAN and PIAO began paying ASHE \$19,975 per month for his purported role as "Honorary Chairman" of NGO-2, which is an organization run by YAN and PIAO supposedly to promote sustainable global development.

YAN and PIAO Arrange Additional Payments to ASHE in Exchange For Official Actions On Behalf of a Chinese Security Company

48. Defendant JOHN W. ASHE formally assumed the role as the 68th President of UNGA in September 2013. Based on my review of emails, bank records, and other documents, I know that on September 17, 2013, ASHE and the UN Secretary General hosted a reception to mark the opening of the 68th Session of UNGA. At ASHE's request, defendants SHIWEI YAN, a/k/a "Sheri Yan," and HEIDI HONG PIAO, a/k/a "Heidi Park," arranged for a Chinese security technology executive ("CC-2") to send wires of approximately \$100,000 to ASHE's PGA Account-2, supposedly to reimburse ASHE for half the cost of the reception. Approximately one month later, ASHE accompanied CC-2 and PIAO to Antigua so that CC-2 could seek to sell his product to Antiguan officials. Specifically, I have learned the following:

a. On September 4, 2013, ASHE emailed YAN and PIAO that plans were "well underway" for the September 17 reception, although the Secretary General's office had asked ASHE to pay for the reception in its entirety. ASHE told YAN and PIAO that he "warmly welcome[d] your generous offer to share half the cost of this reception with me."

b. On September 12, 2013, PIAO emailed ASHE, with a copy to YAN, a list of attendees for the reception. The list included YAN

f. On October 23, 2013, ASHE and PIAO traveled to Antigua from New York. CC-2 flew to Antigua on or about the same date from Beijing. ASHE and PIAO subsequently returned to New York the following day.

g. Following the trip to Antigua, ASHE also facilitated a meeting between executives for Chinese Technology Company and officials of Kenya, where the Chinese Technology Company was also looking for business. On October 30, 2013, PIAO emailed ASHE with a copy to YAN, telling ASHE that CC-2 was in Nairobi, Kenya, where he would be joined by other individuals from the Chinese Technology Company, and that "they hope you can arrange them to start meeting with someone from the Ministry of Internal Affairs." ASHE replied "Noted." On November 3, 2013, PIAO emailed ASHE, with a copy to YAN, and said that even though CC-2 had not yet received a call from a particular senior Kenyan foreign official, YAN and PIAO thanked for ASHE for "making such an effort" to set up the meeting for the Chinese Technology Company since "now [the Chinese Technology Company] recognizes our strong government connection."

h. Two days later, on November 5, 2013, ASHE emailed YAN and PIAO: "I have been in touch with [a particular Kenyan UN official ('Kenyan UN Official-1')] . . . and informed him of your desire to meet with him when he's in Beijing. He has agreed and will be providing me with his contact details once he gets there on Thursday. Once he does, I will forward you the same so you (and/or the [Chinese Security Company] reps) can meet with him. BTW he has indicated that Kenyan's [sic] [senior intelligence official] is now keen to meet with the [Chinese Security Company] reps when the latter return to Nairobi." On November 7, 2013, ASHE emailed YAN and PIAO that "[Kenyan UN Official-1] informs that he is available with [the Chinese Technology Company] reps on Saturday afternoon," and provided YAN and PIAO with the Kenyan UN Official-1's contact information. ASHE added "[t]he ball is now in your court but please let me know if anything is needed from my end to make it happen."

i. On November 9, 2013, YAN emailed ASHE that she had "a very interesting dinner with [Kenyan UN Official-1] and the conversation was productive." Later that day, ASHE told PIAO and YAN that he had received an update on their meeting from Kenyan UN Official-1 and that Kenyan UN Official-1 informed ASHE that he would seek to make arrangements for the Chinese Technology Company "to meet with those who are best placed to make a decision on the procurement of the equipment" Later the same day, ASHE emailed YAN and PIAO and asked for the dates for when the Chinese Security Company

individuals would next be in Kenya so that ASHE would be able to "keep the pressure up" on Kenyan UN Official-1.

j. In December 2013, ASHE solicited \$100,000 from PIAO and YAN supposedly in order to pay for his staff's holiday party. On December 4, 2013, ASHE emailed YAN:

Re. the promised \$100K, may I suggest the following approach re. remitting it to me. If the entire amount is to be sent in one shot then it's best to send it to the PGA account and then I can withdraw it in installments without raising any questions by the bank. This is my preferred approach since that account has been used for large amounts and would not raise any red flags.

Thanks...and lots of love

k. On December 11, 2013, YAN emailed ASHE that \$100,000 was being sent to one of the PGA Accounts. On December 12, 2013, PGA Account-2 received a \$100,000 wire from Individual-1 who, as described above, is a United States-based business associate of YAN and PIAO, who YAN and PIAO have repeatedly asked to wire money on their behalf at times relevant to the Complaint.

l. On December 23, 2013, ASHE arranged for a conference call between executives from the Chinese Security Company and two Antiguan Ministers. After the call, PIAO emailed ASHE, with a copy to YAN, and said that during the call the parties agreed on a further schedule of meetings and visits after which they would sign a memorandum of understanding ("MOU") and "move forward according to the implementation framework."

m. On January 16, 2014, ASHE emailed PIAO that he needed some possible dates "for the visit by the [Chinese Security Company] folks to visit Antigua, pronto. The plan is to have them meet with the Ministers and sign the MOU. The Prime Minister may also participate in the meeting- depending on the date of the visit and his schedule."

n. On April 2, 2014, PIAO wrote ASHE and informed him that the Chinese Security Company "team" would be arriving in Antigua on April 4, 2014. On April 6, 2014, ASHE emailed PIAO and YAN and said that a senior Antiguan national security minister had told him

that he had met with the Chinese Security Company executives and that the Minister had signed the final version of the MOU with the Chinese Security Company. ASHE added "Bottom line: there is now a signed MOU between the Government of Antigua and Barbuda and [the Chinese Security Company]." The subject line of ASHE's email to YAN and PIAO was "Delivering on a promise."⁷

o. Based on my review of records for PGA Account-2, I know that during the same period that ASHE was receiving payments from CC-2, YAN, and PIAO to facilitate the Chinese Security's Company business interests in Antigua and elsewhere, ASHE sent the Prime Minister himself approximately \$170,000 from PGA Account-2.

YAN and PIAO Arrange For a \$200,000 Payment to ASHE in Exchange For Attending a Conference in China In ASHE's Official Capacity

49. I also know from review of emails that after defendant JOHN W. ASHE became UNGA President, defendants SHIWEI YAN, a/k/a "Sheri Yan," and HEIDI HONG PIAO, a/k/a "Heidi Park," also arranged for a \$200,000 payment to ASHE in exchange for ASHE making an official appearance at a conference in China being organized by a Chinese real estate developer ("CC-3"). Specifically, from my review of emails, bank documents, and other documents, I have learned the following:

a. On October 18, 2013, PIAO emailed ASHE, with a copy to YAN, and told ASHE that PIAO and YAN had been working on obtaining additional funds for ASHE. PIAO told ASHE that "an old friend of Sheri who is extremely wealthy" was organizing an international conference in Guangzhou, China (the "Guangzhou Conference"), and that PIAO and YAN had suggested that ASHE be invited to the conference. PIAO attached a program for the conference that listed several current and former government officials as invited attendees, including ASHE. ASHE replied that the Guangzhou Conference was "very tempting indeed" and that he might make it, but that his entire "team" would need to accompany him. YAN replied to ASHE that she had "[j]ust talk[ed] to Heidi, she is going to write to you. In short, all the people who travel with you will be covered by the man and plus." PIAO then replied to ASHE that "[w]e are sure that he will cover the cost of your team," and requested information about ASHE's team and travel plans.

⁷ The prior day, ASHE wrote YAN and PIAO and requested that they secure "the almost \$300K" that ASHE supposedly needed to organize a concert at the UN. ASHE also requested that the Chinese Security Company pay for street lights and iPads for the Antiguan government.

b. On or about October 24, 2013, YAN emailed ASHE and PIAO and stated "[a]ccording to our strategy plan, [CC-3]'s office emailed me the invitation to John this morning . . . I will ask \$200,000 for this trip. . . ." A few minutes later, YAN emailed ASHE, with a copy to PIAO, a draft invitation from CC-3 to ASHE to attend the Guangzhou Conference. YAN told ASHE that the invitation had been approved by CC-3, and YAN added that "[a]s you may see that I purposely add some words on future relationship between you and him, that will establish a good platform for you today and tomorrow." The draft invitation was addressed from CC-3 to ASHE as UNGA President and, in addition to inviting ASHE to the Guangzhou Conference, CC-3 stated that, "After attending this Summit, I wish that you would remember that you have a sincere friend in Guangdong Province - the economic powerhouse in China. And your friend here has the pleasure to offer you a permanent convention venue for the UN meetings on the sustainability and climate changes in the efforts to fully realize the Millennium Development Goals, as well as for the 193 members of the UN to convene for multilateral discussions on the topics of priority concerns."

c. On October 27, 2013, PIAO emailed ASHE and YAN and told ASHE that "in order to have [CC-3] to wire the money to 68th PGA account, we suggest that you write a courtesy letter (in 68th PGA letterhead) to [CC-3] to accept his invitation, and in the letter also list out the name and title for all the people to be travelling with you, in order to make the logistic arrangement for them." The next day, ASHE emailed the "courtesy letter" to CC-3 suggested by PIAO. The letter was addressed to CC-3 from ASHE and was on official UNGA President letterhead. In the letter, ASHE told CC-3 he was pleased to accept CC-3's invitation to him and his team to attend the Guangzhou Conference. ASHE stated that at the conference ASHE would "deliver a statement on the topic of 'Identifying the Parameters of the Post-2015 Development Agenda.'" ASHE then listed four UN officials that would attend the conference with him and asked CC-3 to contact his special assistant to "finalize the logistical arrangements."

d. On October 29, 2013, PIAO emailed ASHE and YAN and told ASHE that "in order to get the funding wired in ASAP," PIAO and YAN recommended that instead of asking CC-3 to contact ASHE's special assistant to make the "logistical arrangements," that ASHE revise his letter to CC-3 to ask that the arrangements be made through YAN. Later that day, PIAO emailed ASHE again, copying YAN, asking ASHE: "As for the \$200K from [CC-3], which account would you like it to be wired to? The 68 PGA? Please advise." ASHE replied to PIAO and

YAN that the money should be wired to the "PGA account" and attached a revised letter to CC-3. In the revised letter, ASHE told CC-3 to have his staff "contact my Adviser on Economic Matters, Ms. Shiwei Yan, to finalize the logistical arrangements for the trip."

e. Later that same day, ASHE sent two "letters of appointment" to YAN and PIAO, which were back-dated to the prior month, September 2013. In one letter, on UNGA President letterhead, ASHE informed each of YAN and PIAO that they had each been appointed "Adviser, Economic Matters" in ASHE's office. In the other letter, on Antiguan government letterhead, ASHE informed YAN and PIAO that they had each been appointed as "Adviser to Office of the Prime Minister of Antigua and Barbuda on matters pertaining to investments in Antigua and Barbuda from the entire Asia region." In the email enclosing the letters, ASHE stated, "I believe these complete the outstanding requests that were made to me."⁸

f. On November 3, 2013, YAN emailed ASHE, with a copy to PIAO, telling ASHE that "Guangzhou has been wired 200k to PGA office today" and that "25k" had been wired to ASHE's travel agent. YAN also asked for the name of UN security personnel who would be traveling with ASHE to the Guangzhou Conference. On November 4, 2013, ASHE's PGA Account-2 received a \$200,000 wire from China from one of CC-3's companies. That morning ASHE emailed YAN: "[c]an confirm receipt of \$200k to the PGA."

g. On November 17, 2013, ASHE attended the Guangzhou Conference. According to the agenda for the conference, ASHE gave a speech to the conference and then gave media interviews on global economic development.

⁸ Based on my discussions with the Department of State, I understand that YAN and PIAO, who are naturalized United States citizens, were later accredited as diplomatic advisers for the period between September 2013 and September 2014, based on these backdated appointments by ASHE. At most, YAN and PIAO accordingly have residual official act immunity during this time period. As described above and below, YAN and PIAO facilitated the bribes to ASHE in their personal capacities, and as executives of NGO-2 -- seeking the diplomatic status conferred by ASHE simply as a way to expedite bribe payments -- and, in any event, many of their actions predated September 2013.

LAUNDERING OF BRIBERY FUNDS

50. Based on my review of bank records and other documents, I know that payments described above facilitated by defendants SHIWEI YAN, a/k/a "Sheri Yan," and HEIDI HONG PIAO, a/k/a "Heidi Park," to defendant JOHN W. ASHE were transmitted from China as part of the scheme to promote the bribery of the Antiguan Prime Minister detailed above, and that steps were taken to conceal the source and nature of the payments.⁹ For example:

a. The \$300,000 payment by CC-1 to ASHE in July 2012 to PGA Account-1, which was facilitated by YAN and PIAO, a/k/a "Heidi Park," in exchange for ASHE advocating for the business interests of CC-1 to the Prime Minister, was sent by wire from Individual-1's domestic bank account after which YAN and PIAO reimbursed Individual-1's bank account in China. As noted above, approximately \$100,000 was then sent to the Prime Minister in Antigua from PGA Account-1.

b. The \$100,000 payment by CC-2 to ASHE in September 2013 to PGA Account-2, which was facilitated by YAN and PIAO in exchange for ASHE advocating for the business interests of the Chinese Security Company in Antigua, was sent by wires from the Chinese Bank in China. As noted above, approximately \$170,000 was sent to the Prime Minister in Antigua from PGA Account-2, including \$20,000 during the month after CC-2 wired \$100,000 to the account.

ASHE'S FAILURE TO FULLY REPORT HIS INCOME TO THE IRS

51. Based on my review of the IRS Forms 1040 jointly filed by defendant JOHN W. ASHE, and his wife, a United States citizen, for tax years 2013 and 2014, I know that ASHE failed to report income sufficient to account for his payments from, among other things: (i) his self-described monthly salary as UNGA President; (ii) his and his wife's monthly payments from defendants NG LAP SENG, a/k/a "David Ng," FRANCIS LORENZO, and JEFF C. YIN, a/k/a "Yin Chuan," through NGO-1 and NGO-3; and (iii) his monthly payments from defendants SHIWEI YAN, a/k/a "Sheri Yan," and HEIDI HONG PIAO, a/k/a "Heidi Park," through NGO-2. Specifically, I learned the following from my review of ASHE's tax returns and my review of bank records:

⁹ From my review of documents, I know that bribery of a public official is illegal in Antigua under the Prevention of Corruption Act, which was enacted by the Antiguan Parliament on November 5, 2004.

a. On or about April 15, 2014, ASHE and his wife jointly filed their Form 1040 for tax year 2013. ASHE reported his total income as \$220,500 and his wife's income as \$30,000, which ASHE declared was true and correct under the penalty of perjury. In fact, I know based on bank records, that during 2013, ASHE was paid approximately \$810,000 from the following sources: (i) \$274,881.03 by the Government of Antigua & Barbuda; (ii) \$25,000 by NGO-1; (iii) \$119,850 by NGO-2; (iv) \$90,000 by NGO-3; and (v) at least \$300,000 in what ASHE described as "salary" payments and alleged reimbursements from PGA Account-2, which was funded in large part by bribe payments, as described above. In total, ASHE and his wife underreported their income by at least approximately \$462,350.00 for year 2013.

b. On or about April 15, 2015, ASHE and his wife jointly filed their Form 1040 for tax year 2014. Just as the prior year, ASHE again reported his total income as \$220,500 and his wife's income as \$30,000, which ASHE declared was true and correct under the penalty of perjury. In fact, I know based on bank records, that during 2014, ASHE was paid approximately \$1,050,000 from the following sources: (i) \$179,562.09 by the Government of Antigua & Barbuda; (ii) \$69,925 by NGO-2; (iii) \$120,000 by NGO-3; and (iv) at least \$678,904.28 in what ASHE described as "salary" payments and alleged reimbursements from PGA Account-2, which was funded in large part by bribe payments, as described above. In total, ASHE and his wife under reported their income by at least approximately \$796,329.28 for year 2014.

52. Based on my review of emails between defendant JOHN W. ASHE, his wife, and a friend, who works as an accountant and assisted ASHE and his wife to prepare their tax returns in various years, including in calendar years 2013, 2014, and 2015 (the "Accountant"), and my conversations with the Accountant, I have learned the following:

a. In or about Spring 2013, in connection with the preparation of ASHE's federal tax return for tax year 2012, the Accountant had conversations with ASHE and his wife concerning the existence of PGA Account-1. The Accountant understood that PGA Account-1 account was used for ASHE's UNGA Presidency. The Accountant was not told that ASHE had transferred funds from PGA Account-1 to personal accounts or used such funds to pay for personal expenditures.

b. Also in or about Spring 2013, in connection with the preparation of ASHE's federal tax return for tax year 2012, the Accountant was presented with a Schedule C (Profit or Loss from Business) for PGA Account-1, containing certain amounts. A few days

later, the Accountant was given another Schedule C, also for tax year 2012, by ASHE and his wife, with different figures. Neither ASHE nor ASHE's wife provided a basis for the changed figures. ASHE and his wife requested that the Accountant adjust the gross receipts and expenditures reported for PGA Account-1 so that the net profit reported was zero. The Accountant, who acceded to this request, was not provided with documentation supporting the request.

c. In or about Spring 2014, the Accountant again assisted ASHE and his wife to prepare their federal tax return, for tax year 2013. Neither ASHE nor his wife informed the Accountant that ASHE had opened PGA Account-2 and had transferred funds from it into one or more personal accounts. As they had the prior year, ASHE and his wife provided the Accountant with certain figures of income and expenses, and then changed those figures, without explanation or documentation. For example:

i. On March 25, 2014, ASHE's wife sent an email to the Accountant, copying ASHE, and told the Accountant that, with respect to the reporting of ASHE's income, "it should be increased from last year but not by too much," even though ASHE's income had increased by approximately \$500,000 since the prior tax year.

ii. On April 1, 2014, ASHE's wife sent a draft tax return to ASHE and the Accountant, which reflected a gross income of approximately \$225,000 (significantly less than their actual gross income), and told ASHE to "please reflect on gross income amount," because "as it stands we owe a sizable amount now." One week later, ASHE's wife sent ASHE their final tax return (the same return they filed with the IRS), which reduced their gross income to approximately \$161,000, even less than their already significantly underreported income in the draft tax return.

d. In or about Spring 2015, the Accountant again assisted ASHE and his wife to prepare their federal tax return, for tax year 2014. Neither ASHE nor his wife informed the Accountant that ASHE still had PGA Account-2 and had transferred funds from it into one or more personal accounts.

e. The Accountant never informed ASHE or his wife that income ASHE received was tax-exempt by virtue of his position or that ASHE did not need to report income he received. On the contrary, the Accountant informed ASHE and his wife that they needed to report all income.

f. Although the Accountant prepared returns for ASHE and his wife in calendar years 2013, 2014, and 2015 (for tax years 2012, 2013, and 2014), ASHE and his wife filed the returns with the IRS themselves.

53. Based on my review of bank records and credit card records for defendant JOHN W. ASHE and his wife, I know that during the years that ASHE and his wife were significantly underreporting ASHE's income, ASHE and his wife made several expensive purchases, such as the following:

a. In 2013 and 2014, ASHE repeatedly ordered expensive hand-tailored suits and clothing from a company in Hong Kong (the "Clothing Company"). For example, in June 2014, ASHE had total charges from the Clothing Company in the amount of approximately \$59,000.

b. In or about July 2013, ASHE and/or his wife purchased a membership to a luxury vacation club in South Carolina for approximately \$69,000.

c. On or about March 16, 2014, ASHE and/or his wife purchased two Rolex watches for approximately \$54,000.

d. In or about September 2014, ASHE paid 24 months of the lease of a new BMW X5, paying approximately \$40,000.

e. Between in or about October 2013 and March 2014, ASHE and/or his wife made approximately six purchases from Gucci stores totaling more than \$5,000.

WHEREFORE, deponent respectfully requests that warrants be issued for the arrest of JOHN W. ASHE, FRANCIS LORENZO, SHIWEI YAN, a/k/a "Sheri Yan," and HEIDI HONG PIAO, a/k/a "Heidi Park," the defendants, and that they be imprisoned or bailed, as the case may be, and that NG LAP SENG, a/k/a "David Ng," and JEFF C. YIN, a/k/a

